



Reprinted
April 14, 2009

ENGROSSED SENATE BILL No. 84

DIGEST OF SB 84 (Updated April 13, 2009 4:56 pm - DI 96)

Citations Affected: Numerous provisions throughout the Indiana Code.

Synopsis: Department of workforce development, local government, and state administration matters. Changes the name of the department of workforce development (department) to the department of workforce development and unemployment insurance. Provides that no action may be taken to resolve a disputed claim for unemployment insurance benefits (claim) until the affected employer: (1) has actual knowledge of the date, time, and place of the hearing or other action; and (2) receives complete information about the rules of evidence and standards of proof that will be used to determine the validity of the claim. Requires the department to adopt rules concerning the conduct of administrative law judges, review board members, and other individuals who adjudicate claims during a hearing or other adjudicative process. Requires the department to provide at least
(Continued next page)

Effective: July 1, 2009.

Kruse, Mishler, Tallian

(HOUSE SPONSORS — NIEZGODSKI, STILWELL, LEONARD, TORR)

January 7, 2009, read first time and referred to Committee on Pensions and Labor.
February 5, 2009, amended, reported favorably — Do Pass.
February 10, 2009, read second time, ordered engrossed.
February 11, 2009, engrossed.
February 12, 2009, read third time, passed. Yeas 49, nays 0.

HOUSE ACTION

February 25, 2009, read first time and referred to Committee on Labor and Employment.
April 9, 2009, amended, reported — Do Pass.
April 13, 2009, read second time, amended, ordered engrossed.

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annually for individuals who adjudicate claims training on unemployment compensation law, rules for the conduct of hearings and appeals, and rules of conduct during a hearing or other adjudicative process. Provides that an individual who does not strictly adhere to the law and rules is subject to discipline, up to and including suspension and termination. Specifies what constitutes "gross misconduct" in connection with termination of employment for purposes of unemployment insurance. Establishes the unemployment insurance oversight advisory committee to monitor the unemployment insurance benefit fund (fund) and make recommendations to improve the solvency of the fund. Requires the unemployment insurance board to transfer from the special employment and training services fund (special fund) to the fund amounts in the special fund that exceed \$8,500,000 and provides that \$450,000 annually may be released by the commissioner of the department for training and counseling assistance for certain individuals. Establishes the Hoosier Workers First training program to allocate to employers or consortiums money for incumbent worker training grants. Requires the commissioner of the department to: (1) initiate changes to eligibility and other requirements of the state's existing unemployment insurance system in order to qualify for the maximum amount available to a state under any federal economic stimulus package, unless the cost of making the changes exceeds the maximum amount available to the state as a result of making the changes; and (2) submit to the legislative council, the unemployment insurance oversight advisory committee, the speaker of the house of representatives, and the president pro tempore of the senate a report that: (A) details the commissioner's actions or decision not to act; (B) makes recommendations for necessary legislation; and (C) analyzes the fiscal impact to the fund of the changes and recommended legislation. Expands the duties of the governor's commission on minority and women's business enterprises (commission) to include setting goals for all contracts entered into with the use of state property and the use of state funds involving the use of real property of a unit of local government. Requires the department of administration to direct contractors to demonstrate a good faith effort to meet participation goals. Requires the commission to work with the department to develop a statement for grantees stating the importance of the use of minority and women's business enterprises. Requires a unit of local government to report to the commission on the planned and actual participation of minority and women's business enterprises in a grant or contract that is subject to the goals set by the commission. Allows the members of the board of directors of a redevelopment authority to be residents of or have their place of employment within the unit that created the redevelopment authority, under certain circumstances.

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First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 84

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety and local government and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 2-5-30 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2009]:

4 **Chapter 30. Unemployment Insurance Oversight Advisory**
5 **Committee**

6 **Sec. 1. As used in this chapter, "committee" refers to the**
7 **unemployment insurance oversight advisory committee established**
8 **by section 3 of this chapter.**

9 **Sec. 2. As used in this chapter, "fund" refers to the**
10 **unemployment insurance benefit fund established by IC 22-4-26-1.**

11 **Sec. 3. The unemployment insurance oversight advisory**
12 **committee is established.**

13 **Sec. 4. (a) The committee shall do all of the following:**

14 **(1) Monitor the solvency of the fund.**

15 **(2) Make recommendations of improvements to increase the**
16 **solvency of the fund.**

17 **(3) Make a report annually to the legislative council**

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concerning the solvency of the fund. The report must be in an electronic format under IC 5-14-6.

(4) Study and make recommendations concerning approaches taken by other states to improve the solvency of unemployment insurance benefit trust funds, including the indexing of:

(A) unemployment benefits; and

(B) the taxable wage base.

(b) A committee recommendation does not take effect unless enacted by the general assembly.

Sec. 5. (a) The committee consists of the following members:

(1) Two (2) members of the house of representatives appointed by the speaker of the house of representatives. The members appointed under this subdivision may be members of the same political party.

(2) One (1) member of the house of representatives appointed by the minority leader of the house of representatives.

(3) Two (2) members appointed by the speaker of the house of representatives as follows:

(A) One (1) member who is a member of the Indiana State AFL-CIO.

(B) One (1) member who is a member of a labor organization not affiliated with the Indiana State AFL-CIO.

(4) Two (2) members of the senate appointed by the president pro tempore of the senate. The members appointed under this subdivision may be members of the same political party.

(5) One (1) member of the senate appointed by the minority leader of the senate.

(6) Two (2) members appointed by the president pro tempore of the senate as follows:

(A) One (1) member representing large employers in the state.

(B) One (1) member representing small employers in the state.

(7) The commissioner, or the commissioner's designee, who serves as an ex-officio nonvoting member.

(b) If a vacancy on the committee occurs, the person who appointed the member whose position is vacant shall appoint an individual to fill the vacancy using the criteria in subsection (a).

(c) The speaker of the house of representatives shall appoint one (1) of the members appointed by the speaker as a cochair of the

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committee. The president pro tempore of the senate shall appoint one (1) of the members appointed by the president as a cochair of the committee.

Sec. 6. (a) The legislative services agency shall provide administrative support for the committee. At the request of the legislative services agency, the department of workforce development established by IC 22-4.1-2-1 shall assign staff to provide research and other support to assist the legislative services agency in providing administrative support to the committee.

(b) There is annually appropriated to the legislative services agency from the state general fund money necessary for the operation of the committee.

Sec. 7. Six (6) committee members constitute a quorum. The affirmative votes of at least six (6) committee members are necessary for the committee to take official action.

Sec. 8. The committee shall meet at the call of both cochairs and at other times as the committee considers necessary.

Sec. 9. (a) Each member of the committee who is not a state employee or is not a member of the general assembly is entitled to the following:

- (1) The salary per diem provided under IC 4-10-11-2.1(b).
- (2) Reimbursement for traveling expenses as provided under IC 4-13-1-4.
- (3) Other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(b) Each member of the committee who is a state employee but not a member of the general assembly is entitled to the following:

- (1) Reimbursement for traveling expenses as provided under IC 4-13-1-4.
- (2) Other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

(c) Each member of the committee who is a member of the general assembly is entitled to the same:

- (1) per diem;
- (2) mileage; and
- (3) travel allowances;

paid to legislative members of interim study committees established by the legislative council.

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SECTION 2. IC 4-1-8-1, AS AMENDED BY P.L.1-2007, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) No individual may be compelled by any state agency, board, commission, department, bureau, or other entity of state government (referred to as "state agency" in this chapter) to provide the individual's Social Security number to the state agency against the individual's will, absent federal requirements to the contrary. However, the provisions of this chapter do not apply to the following:

- (1) Department of state revenue.
- (2) Department of workforce development **and unemployment insurance.**
- (3) The programs administered by:
 - (A) the division of family resources;
 - (B) the division of mental health and addiction;
 - (C) the division of disability and rehabilitative services;
 - (D) the division of aging; and (E) the office of Medicaid policy and planning;
 of the office of the secretary of family and social services.
- (4) Auditor of state.
- (5) State personnel department.
- (6) Secretary of state, with respect to the registration of broker-dealers, agents, and investment advisors.
- (7) The legislative ethics commission, with respect to the registration of lobbyists.
- (8) Indiana department of administration, with respect to bidders on contracts.
- (9) Indiana department of transportation, with respect to bidders on contracts.
- (10) Indiana professional licensing agency.
- (11) Department of insurance, with respect to licensing of insurance producers.
- (12) The department of child services.
- (13) A pension fund administered by the board of trustees of the public employees' retirement fund.
- (14) The Indiana state teachers' retirement fund.
- (15) The state police benefit system.
- (16) The alcohol and tobacco commission.
- (17) The state department of health, for purposes of licensing radiologic technologists under IC 16-41-35-29(c).
- (b) The bureau of motor vehicles may, notwithstanding this chapter, require the following:

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(1) That an individual include the individual's Social Security number in an application for an official certificate of title for any vehicle required to be titled under IC 9-17.

(2) That an individual include the individual's Social Security number on an application for registration.

(3) That a corporation, limited liability company, firm, partnership, or other business entity include its federal tax identification number on an application for registration.

(c) The Indiana department of administration, the Indiana department of transportation, and the Indiana professional licensing agency may require an employer to provide its federal employer identification number.

(d) The department of correction may require a committed offender to provide the offender's Social Security number for purposes of matching data with the Social Security Administration to determine benefit eligibility.

(e) The Indiana gaming commission may, notwithstanding this chapter, require the following:

(1) That an individual include the individual's Social Security number in any application for a riverboat owner's license, supplier's license, or occupational license.

(2) That a sole proprietorship, a partnership, an association, a fiduciary, a corporation, a limited liability company, or any other business entity include its federal tax identification number on an application for a riverboat owner's license or supplier's license.

(f) Notwithstanding this chapter, the department of education established by IC 20-19-3-1 may require an individual who applies to the department for a license or an endorsement to provide the individual's Social Security number. The Social Security number may be used by the department only for conducting a background investigation, if the department is authorized by statute to conduct a background investigation of an individual for issuance of the license or endorsement.

SECTION 3. IC 4-3-21-4, AS AMENDED BY P.L.180-2006, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. The council consists of the following members:

(1) Each member of the house of representatives whose house district includes all or part of a county that contains any part of a military base.

(2) Each member of the senate whose senate district includes all or part of a county that contains any part of a military base.

(3) The lieutenant governor or the lieutenant governor's designee.

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- (4) The adjutant general or the adjutant general's designee.
- (5) The commissioner of the department of environmental management or the commissioner's designee.
- (6) The commissioner of the Indiana department of transportation or the commissioner's designee.
- (7) The executive director of the department of homeland security or the executive director's designee.
- (8) The commissioner of the department of workforce development **and unemployment insurance** or the commissioner's designee.
- (9) The president of the Indiana economic development corporation or the president's designee.
- (10) The director of the office of energy and defense development.
- (11) The following local government representatives:
- (A) One (1) member of the county executive of each county that contains all or part of a military base, appointed by the county executive.
 - (B) One (1) member of the county fiscal body of each county that contains all or part of a military base, appointed by the county fiscal body.
 - (C) One (1) member:
 - (i) who is the executive of the municipality having the largest population in each county that contains all or part of a military base if that municipality is a city; or
 - (ii) who is appointed from the membership of the fiscal body of that town, if a town is the municipality having the largest population in the county.
 - (D) One (1) member of the legislative body of the municipality having the largest population in each county that contains a military base, appointed by the legislative body of that municipality.
 - (E) One (1) member of the county executive of each county listed in IC 36-7-30.5-10(4) through IC 36-7-30.5-10(6), appointed by the county executive.
- SECTION 4. IC 4-4-10.9-6.1, AS AMENDED BY P.L.1-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6.1. "Distressed area" means a county in which:
- (1) the average annualized unemployment rate in each of the two
 - (2) calendar years immediately preceding the current calendar year exceeded the statewide average annualized unemployment rate for each of the same calendar years by at least two percent

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(2%); or
 (2) the average annualized unemployment rate in the immediately preceding calendar year was at least double the statewide average annualized unemployment rate for the same period;
 as determined by the department of workforce development **and unemployment insurance**.

SECTION 5. IC 4-4-31.4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. As used in this chapter, "department" refers to the department of workforce development **and unemployment insurance**.

SECTION 6. IC 4-4-31.4-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) The commission consists of fifteen (15) voting members and two (2) nonvoting members. The voting members of the commission consist of the following:

- (1) Six (6) Native American Indians, each from a different geographic region of Indiana.
- (2) Two (2) Native American Indians who have knowledge in Native American traditions and spiritual issues.
- (3) The commissioner of the department of correction or the commissioner's designee.
- (4) The commissioner of the commission for higher education or the commissioner's designee.
- (5) The commissioner of the state department of health or the commissioner's designee.
- (6) The secretary of the office of family and social services or the secretary's designee.
- (7) The director of the department of natural resources or the director's designee.
- (8) The state superintendent of public instruction or the superintendent's designee.
- (9) The commissioner of the department of workforce development **and unemployment insurance** or the commissioner's designee.

(b) The nonvoting members of the commission consist of the following:

- (1) One (1) member of the house of representatives appointed by the speaker of the house of representatives.
- (2) One (1) member of the senate appointed by the president pro tempore of the senate.

(c) The governor shall appoint each Native American Indian member of the commission to a term of four (4) years, and any vacancy

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occurring shall be filled by the governor for the unexpired term. Before appointing a Native American Indian member to the commission, the governor shall solicit nominees from Indiana associations that represent Native American Indians in the geographic region from which the member will be selected. Not more than one (1) member may represent the same tribe or Native American Indian organization or association.

(d) A member of the commission may be removed by the member's appointing authority.

SECTION 7. IC 4-13-2-20, AS AMENDED BY P.L.234-2007, SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 20. (a) Except as otherwise provided in this section, IC 12-17-19-19, or IC 12-8-10-7, payment for any services, supplies, materials, or equipment shall not be paid from any fund or state money in advance of receipt of such services, supplies, materials, or equipment by the state.

(b) With the prior approval of the budget agency, payment may be made in advance for any of the following:

- (1) War surplus property.
- (2) Property purchased or leased from the United States government or its agencies.
- (3) Dues and subscriptions.
- (4) License fees.
- (5) Insurance premiums.
- (6) Utility connection charges.
- (7) Federal grant programs where advance funding is not prohibited and, except as provided in subsection (i), the contracting party posts sufficient security to cover the amount advanced.
- (8) Grants of state funds authorized by statute.
- (9) Employee expense vouchers.
- (10) Beneficiary payments to the administrator of a program of self-insurance.
- (11) Services, supplies, materials, or equipment to be received from an agency or from a body corporate and politic.
- (12) Expenses for the operation of offices that represent the state under contracts with the Indiana economic development corporation and that are located outside Indiana.
- (13) Services, supplies, materials, or equipment to be used for more than one (1) year under a discounted contractual arrangement funded through a designated leasing entity.
- (14) Maintenance of equipment and maintenance of software if there are appropriate contractual safeguards for refunds as

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determined by the budget agency.

(15) Exhibits, artifacts, specimens, or other unique items of cultural or historical value or interest purchased by the state museum.

(c) Any agency and any state educational institution may make advance payments to its employees for duly accountable expenses exceeding ten dollars (\$10) incurred through travel approved by:

(1) the employee's respective agency director, in the case of an agency; and

(2) a duly authorized person, in the case of any state educational institution.

(d) The auditor of state may, with the approval of the budget agency and of the commissioner of the Indiana department of administration:

(1) appoint a special disbursing officer for any agency or group of agencies whenever it is necessary or expedient that a special record be kept of a particular class of disbursements or when disbursements are made from a special fund; and

(2) approve advances to the special disbursing officer or officers from any available appropriation for the purpose.

(e) The auditor of state shall issue the auditor's warrant to the special disbursing officer to be disbursed by the disbursing officer as provided in this section. Special disbursing officers shall in no event make disbursements or payments for supplies or current operating expenses of any agency or for contractual services or equipment not purchased or contracted for in accordance with this chapter and IC 5-22. No special disbursing officer shall be appointed and no money shall be advanced until procedures covering the operations of special disbursing officers have been adopted by the Indiana department of administration and approved by the budget agency. These procedures must include the following provisions:

(1) Provisions establishing the authorized levels of special disbursing officer accounts and establishing the maximum amount which may be expended on a single purchase from special disbursing officer funds without prior approval.

(2) Provisions requiring that each time a special disbursing officer makes an accounting to the auditor of state of the expenditure of the advanced funds, the auditor of state shall request that the Indiana department of administration review the accounting for compliance with IC 5-22.

(3) A provision that, unless otherwise approved by the commissioner of the Indiana department of administration, the special disbursing officer must be the same individual as the

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procurements agent under IC 4-13-1.3-5.

(4) A provision that each disbursing officer be trained by the Indiana department of administration in the proper handling of money advanced to the officer under this section.

(f) The commissioner of the Indiana department of administration shall cite in a letter to the special disbursing officer the exact purpose or purposes for which the money advanced may be expended.

(g) A special disbursing officer may issue a check to a person without requiring a certification under IC 5-11-10-1 if the officer:

(1) is authorized to make the disbursement; and

(2) complies with procedures adopted by the state board of accounts to govern the issuance of checks under this subsection.

(h) A special disbursing officer is not personally liable for a check issued under subsection (g) if:

(1) the officer complies with the procedures described in subsection (g); and

(2) funds are appropriated and available to pay the warrant.

(i) For contracts entered into between the department of workforce development **and unemployment insurance** or the Indiana commission for career and technical education and:

(1) a school corporation (as defined in IC 20-18-2-16); or

(2) a state educational institution;

the contracting parties are not required to post security to cover the amount advanced.

SECTION 8. IC 4-13-16.5-2, AS AMENDED BY P.L.87-2008, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) There is established a governor's commission on minority and women's business enterprises. The commission shall consist of the following members:

(1) A governor's designee, who shall serve as chairman of the commission.

(2) The commissioner of the Indiana department of transportation, or the economic opportunity director of the Indiana department of transportation if the commissioner of the Indiana department of transportation so designates.

(3) The chairperson of the board of the Indiana economic development corporation or the chairperson's designee.

(4) The commissioner of the department.

(5) Nine (9) individuals with demonstrated capabilities in business and industry, especially minority and women's business enterprises, appointed by the governor from the following geographical areas of the state:

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- 1 (A) Three (3) from the northern one-third (1/3) of the state.
 2 (B) Three (3) from the central one-third (1/3) of the state.
 3 (C) Three (3) from the southern one-third (1/3) of the state.
 4 (6) Two (2) members of the house of representatives, no more
 5 than one (1) from the same political party, appointed by the
 6 speaker of the house of representatives to serve in a nonvoting
 7 advisory capacity.
 8 (7) Two (2) members of the senate, no more than one (1) from the
 9 same political party, appointed by the president pro tempore of
 10 the senate to serve in a nonvoting advisory capacity.
 11 Not more than six (6) of the ten (10) members appointed or designated
 12 by the governor may be of the same political party. Appointed members
 13 of the commission shall serve four (4) year terms. A vacancy occurs if
 14 a legislative member leaves office for any reason. Any vacancy on the
 15 commission shall be filled in the same manner as the original
 16 appointment.
 17 (b) Each member of the commission who is not a state employee is
 18 entitled to the following:
 19 (1) The minimum salary per diem provided by IC 4-10-11-2.1(b).
 20 (2) Reimbursement for traveling expenses and other expenses
 21 actually incurred in connection with the member's duties as
 22 provided under IC 4-13-1-4 and in the state travel policies and
 23 procedures established by the Indiana department of
 24 administration and approved by the budget agency.
 25 (c) Each legislative member of the commission is entitled to receive
 26 the same per diem, mileage, and travel allowances established by the
 27 legislative council and paid to members of the general assembly
 28 serving on interim study committees. The allowances specified in this
 29 subsection shall be paid by the legislative services agency from the
 30 amounts appropriated for that purpose.
 31 (d) A member of the commission who is a state employee but who
 32 is not a member of the general assembly is not entitled to any of the
 33 following:
 34 (1) The minimum salary per diem provided by IC 4-10-11-2.1(b).
 35 (2) Reimbursement for traveling expenses as provided under
 36 IC 4-13-1-4.
 37 (3) Other expenses actually incurred in connection with the
 38 member's duties.
 39 (e) The commission shall meet at least four (4) times each year and
 40 at other times as the chairman considers necessary.
 41 (f) The duties of the commission shall include but not be limited to
 42 the following:

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- 1 (1) Identify minority and women's business enterprises in the
- 2 state.
- 3 (2) Assess the needs of minority and women's business
- 4 enterprises.
- 5 (3) Initiate aggressive programs to assist minority and women's
- 6 business enterprises in obtaining state contracts.
- 7 (4) Give special publicity to procurement, bidding, and qualifying
- 8 procedures.
- 9 (5) Include minority and women's business enterprises on
- 10 solicitation mailing lists.
- 11 (6) Evaluate the competitive differences between qualified
- 12 minority or women's nonprofit corporations and other than
- 13 qualified minority or women's nonprofit corporations that offer
- 14 similar services and make recommendation to the department on
- 15 policy changes necessary to ensure fair competition among
- 16 minority and women's business enterprises.
- 17 (7) Define the duties, goals, and objectives of the deputy
- 18 commissioner of the department as created under this chapter to
- 19 assure compliance by all state agencies, separate bodies corporate
- 20 and politic, and state educational institutions with state and
- 21 federal legislation and policy concerning the awarding of
- 22 contracts (including, notwithstanding section 1(d) of this chapter
- 23 or any other law, contracts of state educational institutions) to
- 24 minority and women's business enterprises.
- 25 (8) Establish annual goals:
- 26 (A) for the use of minority and women's business enterprises;
- 27 and
- 28 (B) derived from a statistical analysis of utilization study of
- 29 state contracts (including, notwithstanding section 1(d) of this
- 30 chapter or any other law, contracts of state educational
- 31 institutions) that are required to be updated every five (5)
- 32 years.
- 33 (9) Prepare a review of the commission and the various affected
- 34 departments of government to be submitted to the governor and
- 35 the legislative council on March 1 and October 1 of each year,
- 36 evaluating progress made in the areas defined in this subsection.
- 37 (10) Ensure that the statistical analysis required under this
- 38 section:
- 39 (A) is based on goals for participation of minority business
- 40 enterprises established in *Richmond v. Croson*, 488 U.S. 469
- 41 (1989);
- 42 (B) includes information on both contracts and subcontracts

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(including, notwithstanding section 1(d) of this chapter or any other law, contracts and subcontracts of state educational institutions); and

(C) uses data on the combined capacity of minority and women's businesses enterprises in Indiana and not just regional data.

(11) Establish annual goals for the use of minority and women's business enterprises for any contract entered into:

(A) involving the use of state real property; or

(B) with the use of state funds involving the use of real property of a unit of local government.

The department shall direct contractors to demonstrate a good faith effort to meet participation goals. The good faith effort shall be demonstrated by contractors using the repository of certified firms created under IC 4-13-16.5-3 or a similar repository maintained by a unit of local government.

(g) The department shall adopt rules of ethics under IC 4-22-2 for commission members other than commission members appointed under subsection (a)(6) or (a)(7).

(h) The department shall furnish administrative support and staff as is necessary for the effective operation of the commission.

(i) The commission shall advise the department on developing a statement, to be included in all applications for and agreements governing grants made with state funds, that states the importance of the use of minority and women's business enterprises in fulfilling the purposes of the grant.

SECTION 9. IC 4-13-16.5-3, AS AMENDED BY P.L.228-2007, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) There is created in the department a deputy commissioner for minority and women's business enterprise development. Upon consultation with the commission, the commissioner of the department, with the approval of the governor, shall appoint an individual who possesses demonstrated capability in business or industry, especially in minority or women's business enterprises, to serve as deputy commissioner to work with the commission in the implementation of this chapter.

(b) The deputy commissioner shall do the following:

(1) Identify and certify minority and women's business enterprises for state projects.

(2) Establish a central certification file.

(3) Periodically update the certification status of each minority or women's business enterprise.

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(4) Monitor the progress in achieving the goals established under section 2(f)(8) **and 2(f)(11)** of this chapter.

(5) Require all state agencies, separate bodies corporate and politic, and state educational institutions to report on planned and actual participation of minority and women's business enterprises in contracts awarded by state agencies. **If a unit of local government receives a grant or enters into a contract under section 2(f)(11) of this chapter, the unit of local government shall report on planned and actual participation of minority and women's business enterprises in grants or contracts entered into under section 2(f)(11) of this chapter.** The commissioner may exclude from the reports uncertified minority and women's business enterprises.

(6) Determine and define opportunities for minority and women's business participation in contracts awarded by all state agencies, separate bodies corporate and politic, and state educational institutions.

(7) Implement programs initiated by the commission under section 2 of this chapter.

(8) Perform other duties as defined by the commission or by the commissioner of the department.

SECTION 10. IC 4-15-2-3.8, AS AMENDED BY P.L.1-2007, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3.8. "State service" means public service by:

(1) employees and officers, including the incumbent directors, of the county offices of family and children; and

(2) employees and officers, except members of boards and commissions or individuals hired for or appointed to, after June 30, 1982, positions as appointing authorities, deputies, assistants reporting to appointing authorities, or supervisors of major units within state agencies, irrespective of the title carried by those positions, of the division of disability and rehabilitative services, division of aging, Fort Wayne State Developmental Center, division of mental health and addiction, Larue D. Carter Memorial Hospital, Evansville State Psychiatric Treatment Center for Children, Evansville State Hospital, Logansport State Hospital, Madison State Hospital, Richmond State Hospital, state department of health, Indiana School for the Blind and Visually Impaired, Indiana School for the Deaf, Indiana Veterans' Home, Indiana Soldiers' and Sailors' Children's Home, Silvercrest Children's Development Center, department of correction, Westville Correctional Facility, Plainfield Juvenile Correctional

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Facility, Putnamville Correctional Facility, Indianapolis Juvenile Correctional Facility, Indiana State Prison, Indiana Women's Prison, Pendleton Correctional Facility, Reception and Diagnostic Center, Rockville Correctional Facility, Youth Rehabilitation Facility, Plainfield Correctional Facility, department of homeland security (excluding a county emergency management organization and any other local emergency management organization created under IC 10-14-3), civil rights commission, criminal justice planning agency, department of workforce development **and unemployment insurance**, Indiana historical bureau, Indiana state library, division of family resources, department of child services, Indiana state board of animal health, Federal Surplus Property Warehouse, Indiana education employment relations board, department of labor, Indiana protection and advocacy services commission, commission on public records, Indiana horse racing commission, and state personnel department.

SECTION 11. IC 4-15-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) The state service is divided into the unclassified service and the classified service as follows:

(1) The unclassified part of the state service consists of the following:

(A) All inmate help in all state penal, charitable, correctional, and benevolent institutions.

(B) One (1) confidential secretary for each chief administrative officer in each of the state agencies covered by the definition of state service.

(C) The unemployment insurance review board of the department of workforce development **and unemployment insurance**.

(2) The classified part of the state service includes all civil offices and positions in the state service on May 1, 1941, other than those in the unclassified service.

(b) This section shall not be construed to include in the state service any person or persons who are excluded from the definition of state service.

SECTION 12. IC 4-21.5-2-4, AS AMENDED BY P.L.219-2007, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) This article does not apply to any of the following agencies:

(1) The governor.

(2) The state board of accounts.

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(3) The state educational institutions.

(4) The department of workforce development **and unemployment insurance.**

(5) The unemployment insurance review board of the department of workforce development **and unemployment insurance.**

(6) The worker's compensation board of Indiana.

(7) The military officers or boards.

(8) The Indiana utility regulatory commission.

(9) The department of state revenue (excluding an agency action related to the licensure of private employment agencies).

(10) The department of local government finance.

(11) The Indiana board of tax review.

(b) This article does not apply to action related to railroad rate and tariff regulation by the Indiana department of transportation.

SECTION 13. IC 4-21.5-2-5, AS AMENDED BY P.L.1-2007, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. This article does not apply to the following agency actions:

(1) The issuance of a warrant or jeopardy warrant for the collection of taxes.

(2) A determination of probable cause or no probable cause by the civil rights commission.

(3) A determination in a factfinding conference of the civil rights commission.

(4) A personnel action, except review of a personnel action by the state employees appeals commission under IC 4-15-2 or a personnel action that is not covered by IC 4-15-2 but may be taken only for cause.

(5) A resolution, directive, or other action of any agency that relates solely to the internal policy, organization, or procedure of that agency or another agency and is not a licensing or enforcement action. Actions to which this exemption applies include the statutory obligations of an agency to approve or ratify an action of another agency.

(6) An agency action related to an offender within the jurisdiction of the department of correction.

(7) A decision of the Indiana economic development corporation, the office of tourism development, the department of environmental management, the tourist information and grant fund review committee (before the repeal of the statute that created the tourist information and grant fund review committee), the Indiana finance authority, the corporation for innovation

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development, or the lieutenant governor that concerns a grant, loan, bond, tax incentive, or financial guarantee.

(8) A decision to issue or not issue a complaint, summons, or similar accusation.

(9) A decision to initiate or not initiate an inspection, investigation, or other similar inquiry that will be conducted by the agency, another agency, a political subdivision, including a prosecuting attorney, a court, or another person.

(10) A decision concerning the conduct of an inspection, investigation, or other similar inquiry by an agency.

(11) The acquisition, leasing, or disposition of property or procurement of goods or services by contract.

(12) Determinations of the department of workforce development **and unemployment insurance** under IC 22-4-18-1(g)(1) or IC 22-4-41.

(13) A decision under IC 9-30-12 of the bureau of motor vehicles to suspend or revoke a driver's license, a driver's permit, a vehicle title, or a vehicle registration of an individual who presents a dishonored check.

(14) An action of the department of financial institutions under IC 28-1-3.1 or a decision of the department of financial institutions to act under IC 28-1-3.1.

(15) A determination by the NVRA official under IC 3-7-11 concerning an alleged violation of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg) or IC 3-7.

(16) Imposition of a civil penalty under IC 4-20.5-6-8 if the rules of the Indiana department of administration provide an administrative appeals process.

(17) A determination of status as a member of or participant in an environmental performance based program developed and implemented under IC 13-27-8.

SECTION 14. IC 4-23-20-3, AS AMENDED BY P.L.234-2007, SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. The committee consists of at least six (6) members appointed by the governor and must include representatives of the following:

(1) The Indiana economic development corporation.

(2) The department of workforce development **and unemployment insurance**.

(3) The division of disability and rehabilitative services.

(4) The commission for career and technical education of the department of workforce development **and unemployment**

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1 **insurance.**

2 (5) The state workforce innovation council.

3 (6) The department of education.

4 SECTION 15. IC 4-23-25-9, AS AMENDED BY P.L.104-2008,
5 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
6 JULY 1, 2009]: Sec. 9. The department of workforce development **and**
7 **unemployment insurance** established by IC 22-4.1-2 shall provide
8 staff and administrative support to the commission.

9 SECTION 16. IC 4-23-28-4, AS AMENDED BY P.L.1-2006,
10 SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2009]: Sec. 4. (a) The commission consists of twenty (20)
12 members appointed as follows:

13 (1) Two (2) members of the senate who may not be affiliated with
14 the same political party, to be appointed by the president pro
15 tempore of the senate.

16 (2) Two (2) members of the house of representatives who may not
17 be affiliated with the same political party, to be appointed by the
18 speaker of the house of representatives.

19 (3) Four (4) members of the Hispanic/Latino community who are
20 not members of the general assembly, to be appointed by the
21 president pro tempore of the senate.

22 (4) Four (4) members of the Hispanic/Latino community who are
23 not members of the general assembly, to be appointed by the
24 speaker of the house of representatives.

25 (5) The secretary of family and social services or a designee of the
26 secretary who is a Hispanic or Latino employee of the office of
27 the secretary of family and social services.

28 (6) The commissioner of the state department of health or a
29 designee of the commissioner who is a Hispanic or Latino
30 employee of the state department of health.

31 (7) The state superintendent of public instruction or a designee of
32 the superintendent who is a Hispanic or Latino employee of the
33 department of education.

34 (8) The commissioner of the department of correction or a
35 designee of the commissioner who is a Hispanic or Latino
36 employee of the department of correction.

37 (9) The director of the civil rights commission or a designee of the
38 director who is a Hispanic or Latino employee of the civil rights
39 commission.

40 (10) The lieutenant governor or a designee of the lieutenant
41 governor who is a Hispanic or Latino employee of the lieutenant
42 governor.

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(11) A Hispanic or Latino business person, appointed by the governor.

(12) The commissioner of **the department of** workforce development **and unemployment insurance** or a designee of the commissioner who is a Hispanic or Latino employee of the department of workforce development **and unemployment insurance**, who shall serve as an ex officio member of the commission.

In making their appointments under this section, the president pro tempore of the senate and the speaker of the house of representatives shall attempt to have the greatest possible number of counties represented on the commission.

(b) If a legislative member of the commission ceases to be a member of the chamber from which the member was appointed, the member also ceases to be a member of the commission.

(c) A member of the commission may be removed at any time by the appointing authority who appointed the member.

(d) If a vacancy on the commission occurs, the appointing authority who appointed the former member whose position has become vacant shall appoint an individual to fill the vacancy.

SECTION 17. IC 4-23-28-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) The department of workforce development **and unemployment insurance** shall provide staff and administrative support to the commission.

(b) The expenses of the commission shall be paid from appropriations made to the department of workforce development **and unemployment insurance**.

SECTION 18. IC 4-23-28-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 10. (a) Funding for the commission shall be derived from funds appropriated to the department of workforce development **and unemployment insurance**.

(b) If money is appropriated under subsection (a), the money does not revert to the state general fund at the end of a state fiscal year but remains available to the department of workforce development **and unemployment insurance** until the purpose for which it was appropriated is fulfilled.

SECTION 19. IC 5-10-8-7, AS AMENDED BY P.L.2-2007, SECTION 82, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) The state, excluding state educational institutions, may not purchase or maintain a policy of group insurance, except:

(1) life insurance for the state's employees;

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- (2) long term care insurance under a long term care insurance policy (as defined in IC 27-8-12-5), for the state's employees;
- (3) an accident and sickness insurance policy (as defined in IC 27-8-5.6-1) that covers individuals to whom coverage is provided by a local unit under section 6.6 of this chapter; or
- (4) an insurance policy that provides coverage that supplements coverage provided under a United States military health care plan.

(b) With the consent of the governor, the state personnel department may establish self-insurance programs to provide group insurance other than life or long term care insurance for state employees and retired state employees. The state personnel department may contract with a private agency, business firm, limited liability company, or corporation for administrative services. A commission may not be paid for the placement of the contract. The department may require, as part of a contract for administrative services, that the provider of the administrative services offer to an employee terminating state employment the option to purchase, without evidence of insurability, an individual policy of insurance.

(c) Notwithstanding subsection (a), with the consent of the governor, the state personnel department may contract for health services for state employees and individuals to whom coverage is provided by a local unit under section 6.6 of this chapter through one (1) or more prepaid health care delivery plans.

(d) The state personnel department shall adopt rules under IC 4-22-2 to establish long term and short term disability plans for state employees (except employees who hold elected offices (as defined by IC 3-5-2-17)). The plans adopted under this subsection may include any provisions the department considers necessary and proper and must:

- (1) require participation in the plan by employees with six (6) months of continuous, full-time service;
- (2) require an employee to make a contribution to the plan in the form of a payroll deduction;
- (3) require that an employee's benefits under the short term disability plan be subject to a thirty (30) day elimination period and that benefits under the long term plan be subject to a six (6) month elimination period;
- (4) prohibit the termination of an employee who is eligible for benefits under the plan;
- (5) provide, after a seven (7) day elimination period, eighty percent (80%) of base biweekly wages for an employee disabled by injuries resulting from tortious acts, as distinguished from

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passive negligence, that occur within the employee's scope of state employment;

(6) provide that an employee's benefits under the plan may be reduced, dollar for dollar, if the employee derives income from:

(A) Social Security;

(B) the public employees' retirement fund;

(C) the Indiana state teachers' retirement fund;

(D) pension disability;

(E) worker's compensation;

(F) benefits provided from another employer's group plan; or

(G) remuneration for employment entered into after the disability was incurred.

(The department of state revenue and the department of workforce development **and unemployment insurance** shall cooperate with the state personnel department to confirm that an employee has disclosed complete and accurate information necessary to administer subdivision (6).)

(7) provide that an employee will not receive benefits under the plan for a disability resulting from causes specified in the rules; and

(8) provide that, if an employee refuses to:

(A) accept work assignments appropriate to the employee's medical condition;

(B) submit information necessary for claim administration; or

(C) submit to examinations by designated physicians;

the employee forfeits benefits under the plan.

(e) This section does not affect insurance for retirees under IC 5-10.3 or IC 5-10.4.

(f) The state may pay part of the cost of self-insurance or prepaid health care delivery plans for its employees.

(g) A state agency may not provide any insurance benefits to its employees that are not generally available to other state employees, unless specifically authorized by law.

(h) The state may pay a part of the cost of group medical and life coverage for its employees.

SECTION 20. IC 5-16-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. The definitions in this section apply throughout this chapter:

(1) "Common construction wage" means a scale of wages for each class of work described in section 1(c)(1) of this chapter that is not less than the common construction wage of all construction wages being paid in the county where a project is located, as

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determined by the committee described in section 1(b) of this chapter after having considered:

(A) reports from the department of workforce development **and unemployment insurance**; and

(B) any other information submitted by any person to the committee established under section 1(b) of this chapter.

(2) "State of Indiana" includes any officer, board, commission, or other agency authorized by law to award contracts for the performance of public work on behalf of the state, excepting as otherwise provided in this chapter.

(3) "Municipal corporation" includes any county, city, town, or school corporation, as well as any officer, board, commission, or other agency authorized by law to award contracts for the performance of public work on behalf of any such municipal corporation. The term also includes a redevelopment commission established under IC 36-7-14-3.

(4) "Public work" includes any public building, highway, street, alley, bridge, sewer, drain, improvement, or any other work of any nature or character whatsoever which is paid for out of public funds, excepting as otherwise provided in this chapter.

SECTION 21. IC 5-28-27-3, AS AMENDED BY P.L.2-2007, SECTION 111, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) The skills 2016 training fund is established to do the following:

(1) Administer the costs of the skills 2016 training program established under IC 22-4-10.5.

(2) Undertake any program or activity that furthers the purposes of IC 22-4-10.5.

(3) Refund skills 2016 training assessments erroneously collected and deposited in the fund.

(b) The money in the fund shall be allocated as follows:

(1) An amount to be determined annually shall be set aside for the payment of refunds from the fund.

(2) The remainder of the money in the fund shall be allocated to employers or consortiums for incumbent worker training grants that enable workers to obtain recognizable credentials or certifications and transferable employment skills that improve employer competitiveness.

(c) Special consideration shall be given to Ivy Tech Community College to be the provider of the training funded under this chapter whenever the state educational institution:

(1) meets the identified training needs of an employer or a

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consortium with an existing credentialing or certification program; and

(2) is the most cost effective provider.

(d) For the incumbent worker training grants described in subsection (b), the department of workforce development **and unemployment insurance** shall do the following:

(1) Provide grant applications to interested employers and consortiums.

(2) Accept completed applications for the grants.

(3) Obtain all information necessary or appropriate to determine whether an applicant qualifies for a grant, including information concerning:

(A) the applicant;

(B) the training to be offered;

(C) the training provider; and

(D) the workers to be trained.

(4) Prepare summaries or other reports to assist the secretary of commerce in reviewing the grant applications.

(e) The department of workforce development **and unemployment insurance** shall forward the grant applications and other information collected or received by the department under subsection (d) to the secretary of commerce who shall allocate the money in the fund in accordance with subsections (b) and (c), after considering the information provided by the department of workforce development **and unemployment insurance**.

(f) The corporation shall enter into an agreement with the department of workforce development **and unemployment insurance** for the department of workforce development **and unemployment insurance** to administer the fund using money appropriated from the fund.

(g) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.

(h) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(i) The fund consists of the following:

(1) Assessments deposited in the fund.

(2) Earnings acquired through the use of money belonging to the fund.

(3) Money deposited in the fund from any other source.

(4) Interest and penalties collected.

(j) Any balance in the fund does not lapse but is available

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continuously to the corporation for expenditures for the program established under IC 22-4-10.5 consistent with this chapter, after considering any information concerning an expenditure provided by the department of workforce development **and unemployment insurance**.

SECTION 22. IC 11-10-5-1, AS AMENDED BY P.L.1-2005, SECTION 121, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. The department shall, after consulting with the state superintendent of public instruction and the Indiana commission on vocational and technical education of the department of workforce development **and unemployment insurance**, implement academic and vocational education curricula and programs for confined offenders, by utilizing qualified personnel employed by the department or by arranging for instruction to be given by public or private educational agencies in Indiana. The department shall include special education programs, which shall be governed under IC 20-35-2. To provide funding for development and implementation of academic and vocational education curricula and programs, the department may accept gifts and apply for and receive grants from any source.

SECTION 23. IC 11-10-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) Any agreement entered into between the commissioner and a private person under this chapter must provide that an offender employed by a private person under this chapter will be paid at least the prevailing wage for that type of work as established by the department of workforce development **and unemployment insurance**, including applicable wage increases for overtime work.

(b) An offender may be employed under this chapter only on a voluntary basis and only after the offender has been informed of the conditions of the offender's employment.

(c) An offender employed under this chapter is not eligible for unemployment compensation benefits under workforce development **and unemployment insurance** laws.

SECTION 24. IC 12-8-14-5, AS AMENDED BY P.L.1-2007, SECTION 113, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. Services to support families of persons with disabilities and persons with disabilities may include services available within the division of family resources, the division of disability and rehabilitative services, the division of aging, the division of mental health and addiction, the state department of health, the department of education, the department of workforce development **and unemployment insurance**, and the department of correction, including case management and service coordination.

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SECTION 25. IC 12-17.2-3.3-2, AS ADDED BY P.L.126-2007,
SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2009]: Sec. 2. (a) The committee on child care is established.

(b) The committee consists of the following voting members:

(1) Two (2) members of the house of representatives appointed by the speaker of the house of representatives. Members appointed under this subdivision may not be members of the same political party.

(2) Two (2) members of the senate appointed by the president pro tempore of the senate. Members appointed under this subdivision may not be members of the same political party.

(3) The director of the division of family resources or the director's designee.

(4) The commissioner of the department of workforce development **and unemployment insurance** or the commissioner's designee.

(5) The secretary of commerce appointed under IC 5-28-3-4 or the secretary's designee.

(6) The state fire marshal or the state fire marshal's designee.

(7) The state superintendent of public instruction or the superintendent's designee.

(8) The commissioner of the state department of health or the commissioner's designee.

(9) One (1) representative of a private business that employs less than fifty (50) employees, appointed by the president pro tempore of the senate.

(10) One (1) representative of a private business that employs more than one hundred (100) employees, appointed by the speaker of the house of representatives.

(11) One (1) individual who is a child care advocate and who does not operate or administer a child care program (as defined in IC 12-17.2-3.5-1.2), appointed by the president pro tempore of the senate.

(c) The president pro tempore of the senate shall appoint a member described in subsection (b)(2) as chairperson of the committee in even-numbered years.

(d) The speaker of the house of representatives shall appoint a member described in subsection (b)(1) as chairperson of the committee in odd-numbered years.

SECTION 26. IC 12-20-25-19, AS AMENDED BY P.L.73-2005, SECTION 124, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 19. (a) Notwithstanding any other

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provision of this article, an unemployed individual may not receive township assistance in a controlled township until the individual has registered for work at an office of the department of workforce development **and unemployment insurance** and has provided proof that the individual is registered. This subsection does not apply to an individual who:

- (1) is not physically able to perform work;
- (2) is less than eighteen (18) years of age or at least sixty-five (65) years of age; or
- (3) is needed to care for another individual because of the other individual's age or physical condition.

(b) An unemployed individual who has registered under subsection (a) may not receive township assistance in a controlled township on a continuing basis unless the individual reports to the employment office and provides proof that the individual has reported with the frequency and in the manner prescribed by either the management committee or the control board.

(c) Subject to subsection (a), if the management committee or the control board finds that an individual has failed to:

- (1) apply for available, suitable work when directed by the commissioner of **the department of workforce development and unemployment insurance**, the commissioner's deputy, or an authorized representative of the state;
- (2) accept, at any time after the individual is notified of a separation, suitable work when found for and offered to the individual by the commissioner of **the department of workforce development and unemployment insurance**, the commissioner's deputy, or an authorized representative of the state; or
- (3) return to the individual's customary self-employment when directed by the commissioner of **the department of workforce development and unemployment insurance** or the commissioner's deputy;

the individual may not receive township assistance for six (6) months after the date of the management committee's or control board's finding.

SECTION 27. IC 20-20-10-2, AS ADDED BY P.L.1-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) The technology preparation task force is established to design and approve:

- (1) technology preparation curriculum models; and
- (2) teacher and staff training to implement the technology preparation models.

(b) The:

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- (1) state superintendent;
- (2) commissioner of **the department of workforce development and unemployment insurance**; and
- (3) executive officer of the commission for higher education;

shall each appoint three (3) members to the task force. The members appointed to the task force must include representatives of school corporations and state educational institutions.

SECTION 28. IC 20-20-10-3, AS AMENDED BY P.L.2-2007, SECTION 204, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) The curriculum models developed by the task force must:

- (1) be performance based;
- (2) provide a student with:
 - (A) the skills necessary to gain employment upon graduation from high school; and
 - (B) the subject or skills areas required by a state educational institution to gain admittance into the respective state educational institution;
- upon the satisfactory fulfillment of the curriculum;
- (3) relate to a broad scope of occupational opportunities;
- (4) include math, science, and English/language arts courses taught through practical application and designed to meet graduation requirements for those subjects;
- (5) be designed to include secondary and postsecondary sequence models; and
- (6) allow for dual credit, advanced study, and cooperative agreements.

(b) The task force shall identify certain occupations for secondary and postsecondary articulation curriculum agreements in cooperation with the department of workforce development **and unemployment insurance**.

SECTION 29. IC 20-20-20-1, AS AMENDED BY P.L.234-2007, SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. As used in this chapter, "commission" refers to the Indiana commission for career and technical education of the department of workforce development **and unemployment insurance** established by IC 22-4.1-13-6.

SECTION 30. IC 20-30-4-2, AS AMENDED BY P.L.140-2008, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. In consultation with the student's guidance counselor, after seeking consultation with each student's parents, and not later than the date on which the student completes grade 9, each

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student shall further develop the graduation plan developed in grade 6 under section 1.5 of this chapter to also include the following:

- (1) The subject and skill areas of interest to the student.
- (2) A program of study under the college/technology preparation curriculum adopted by the state board under IC 20-30-10-2 for grades 10, 11, and 12 that meets the interests and aptitude of the student.
- (3) Assurances that, upon satisfactory fulfillment of the plan, the student:
 - (A) is entitled to graduate; and
 - (B) will have taken at least the minimum variety and number of courses necessary to gain admittance to a state educational institution.
- (4) An indication of assessments (other than ISTEP and the graduation examination) that the student plans to take voluntarily during grade 10 through grade 12, and which may include any of the following:
 - (A) The SAT Reasoning Test.
 - (B) The ACT test.
 - (C) Advanced placement exams.
 - (D) College readiness exams approved by the department.
 - (E) Workforce readiness exams approved by the department of workforce development **and unemployment insurance** established under IC 22-4.1-2.

SECTION 31. IC 20-30-5-14, AS ADDED BY P.L.246-2005, SECTION 171, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 14. (a) To:

- (1) educate students on the importance of their future career choices;
- (2) prepare students for the realities inherent in the work environment; and
- (3) instill in students work values that will enable them to succeed in their respective careers;

each school within a school corporation shall include in the school's curriculum for all students in grades 1 through 12 instruction concerning employment matters and work values.

(b) Each school shall:

- (1) integrate within the curriculum instruction that is; or
- (2) conduct activities or special events periodically that are; designed to foster overall career awareness and career development as described in subsection (a).

(c) The department shall develop career awareness and career

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development models as described in subsection (d) to assist schools in complying with this section.

(d) The models described in this subsection must be developed in accordance with the following:

(1) For grades 1 through 5, career awareness models to introduce students to work values and basic employment concepts.

(2) For grades 6 through 8, initial career information models that focus on career choices as they relate to student interest and skills.

(3) For grades 9 through 10, career exploration models that offer students insight into future employment options.

(4) For grades 11 through 12, career preparation models that provide job or further education counseling, including the following:

(A) Initial job counseling, including the use of job service officers to provide school based assessment, information, and guidance on employment options and the rights of students as employees.

(B) Workplace orientation visits.

(C) On-the-job experience exercises.

(e) The department, with assistance from the department of labor and the department of workforce development **and unemployment insurance**, shall:

(1) develop and make available teacher guides; and

(2) conduct seminars or other teacher education activities;

to assist teachers in providing the instruction described in this section.

(f) The department shall, with assistance from the department of workforce development **and unemployment insurance**, design and implement innovative career preparation demonstration projects for students in at least grade 9.

SECTION 32. IC 20-30-6-2, AS ADDED BY P.L.1-2005, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) The department shall, in cooperation with the department of workforce development **and unemployment insurance**, implement the Indiana program of adult competency.

(b) The department may, with approval by the department of workforce development **and unemployment insurance**, do the following:

(1) Use funds available under the Job Training Partnership Act under 29 U.S.C. 1500 et seq.

(2) Use funds available to the department of workforce development **and unemployment insurance** to implement the Indiana program of adult competency.

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SECTION 33. IC 20-32-3-12, AS ADDED BY P.L.1-2005, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 12. The state board shall do the following:

(1) Make the academically related secondary level certificate of achievement assessment instruments available to the department of workforce development **and unemployment insurance** for the department of workforce development's **and unemployment insurance's** use in offering adult learners the opportunity to demonstrate the requisite proficiency in the particular subject and skill areas.

(2) Authorize the department of workforce development **and unemployment insurance** to award the particular certificates of achievement to those individuals who demonstrate the requisite proficiency.

SECTION 34. IC 20-32-3-13, AS AMENDED BY P.L.234-2007, SECTION 116, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 13. The state board shall, in cooperation with the Indiana commission for career and technical education within the department of workforce development **and unemployment insurance**, adopt rules under IC 4-22-2 to implement this chapter, including rules concerning the administration of the secondary level certificates of achievement by the department of workforce development **and unemployment insurance**.

SECTION 35. IC 20-35-2-1, AS AMENDED BY P.L.234-2007, SECTION 121, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) There is established under the state board a division of special education. The division shall exercise all the power and duties set out in this chapter, IC 20-35-3 through IC 20-35-6, and IC 20-35-8.

(b) The governor shall appoint, upon the recommendation of the state superintendent, a director of special education who serves at the pleasure of the governor. The amount of compensation of the director shall be determined by the budget agency with the approval of the governor. The director has the following duties:

(1) To do the following:

(A) Have general supervision of all programs, classes, and schools for children with disabilities, including those conducted by public schools, the Indiana School for the Blind and Visually Impaired, the Indiana School for the Deaf, the department of correction, the state department of health, the division of disability and rehabilitative services, and the division of mental health and addiction.

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- (B) Coordinate the work of schools described in clause (A).
 For programs for preschool children with disabilities as required under IC 20-35-4-9, have general supervision over programs, classes, and schools, including those conducted by the schools or other state or local service providers as contracted for under IC 20-35-4-9. However, general supervision does not include the determination of admission standards for the state departments, boards, or agencies authorized to provide programs or classes under this chapter.
- (2) To adopt, with the approval of the state board, rules governing the curriculum and instruction, including licensing of personnel in the field of education, as provided by law.
- (3) To inspect and rate all schools, programs, or classes for children with disabilities to maintain proper standards of personnel, equipment, and supplies.
- (4) With the consent of the state superintendent and the budget agency, to appoint and determine salaries for any assistants and other personnel needed to enable the director to accomplish the duties of the director's office.
- (5) To adopt, with the approval of the state board, the following:
- (A) Rules governing the identification and evaluation of children with disabilities and their placement under an individualized education program in a special education program.
 - (B) Rules protecting the rights of a child with a disability and the parents of the child with a disability in the identification, evaluation, and placement process.
- (6) To make recommendations to the state board concerning standards and case load ranges for related services to assist each teacher in meeting the individual needs of each child according to that child's individualized education program. The recommendations may include the following:
- (A) The number of teacher aides recommended for each exceptionality included within the class size ranges.
 - (B) The role of the teacher aide.
 - (C) Minimum training recommendations for teacher aides and recommended procedures for the supervision of teacher aides.
- (7) To cooperate with the interagency coordinating council established by IC 12-12.7-2-7 to ensure that the preschool special education programs required by IC 20-35-4-9 are consistent with the early intervention services program described in IC 12-12.7-2.
- (c) The director or the state board may exercise authority over career

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1 and technical education programs for children with disabilities through
 2 a letter of agreement with the department of workforce development
 3 **and unemployment insurance.**

4 SECTION 36. IC 20-35-7-5, AS ADDED BY P.L.1-2005,
 5 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2009]: Sec. 5. (a) As used in this chapter, "adult services"
 7 refers to services that are provided by public agencies and other
 8 organizations to:

9 (1) facilitate student movement from the public agency to adult
 10 life; and

11 (2) provide services to enhance adult life.

12 (b) The term includes services provided by the following:

13 (1) A vocational rehabilitation services program.

14 (2) The department of workforce development **and**
 15 **unemployment insurance.**

16 (3) The federal Social Security Administration.

17 (4) The bureau of developmental disabilities services.

18 (5) A community mental health center.

19 (6) A community rehabilitation program.

20 (7) An area agency on aging.

21 SECTION 37. IC 20-35-7-8, AS AMENDED BY P.L.141-2006,
 22 SECTION 100, IS AMENDED TO READ AS FOLLOWS
 23 [EFFECTIVE JULY 1, 2009]: Sec. 8. (a) The division of disability and
 24 rehabilitative services, the division of mental health and addiction, and
 25 the department of workforce development **and unemployment**
 26 **insurance** shall provide each school corporation with written material
 27 describing the following:

28 (1) The adult services available to students.

29 (2) The procedures to be used to access those services.

30 (b) The material shall be provided in sufficient numbers to allow
 31 each student and, if the student's parent is involved, each student's
 32 parent to receive a copy at the annual case review if the purpose of the
 33 meeting is to discuss transition services.

34 SECTION 38. IC 20-37-2-2, AS AMENDED BY P.L.234-2007,
 35 SECTION 124, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) A governing body may:

37 (1) establish career and technical education centers, schools, or
 38 departments in the manner approved by the state board; and

39 (2) maintain these schools or departments from the general fund.

40 (b) The governing body may include in the high school curriculum
 41 without additional state board approval any secondary level career and
 42 technical education course that is:

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(1) included on the list of approved courses that the state board establishes under IC 20-20-20-3; and

(2) approved under section 11 of this chapter, if applicable.

(c) The governing body shall notify the department and the department of workforce development **and unemployment insurance** whenever the governing body:

(1) includes an approved course for; or

(2) removes an approved course from; the high school curriculum.

SECTION 39. IC 20-43-8-2, AS AMENDED BY P.L.234-2007, SECTION 137, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) Before December 1 of each year, the department of workforce development **and unemployment insurance** shall provide the department with a report, to be used to determine career and technical education grant amounts in the second calendar year after the year in which the report is provided, listing whether the labor market demand for each generally recognized labor category is more than moderate, moderate, or less than moderate. In the report, the department of workforce development **and unemployment insurance** shall categorize each of the career and technical education programs using the following four (4) categories:

(1) Programs that address employment demand for individuals in labor market categories that are projected to need more than a moderate number of individuals.

(2) Programs that address employment demand for individuals in labor market categories that are projected to need a moderate number of individuals.

(3) Programs that address employment demand for individuals in labor market categories that are projected to need less than a moderate number of individuals.

(4) All programs not covered by the employment demand categories of subdivisions (1) through (3).

(b) Before December 1 of each year, the department of workforce development **and unemployment insurance** shall provide the department with a report, to be used to determine grant amounts that will be distributed under this chapter in the second calendar year after the year in which the report is provided, listing whether the average wage level for each generally recognized labor category for which career and technical education programs are offered is a high wage, a moderate wage, or a less than moderate wage.

(c) In preparing the labor market demand report under subsection (a) and the average wage level report under subsection (b), the

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department of workforce development **and unemployment insurance** shall, if possible, list the labor market demand and the average wage level for specific regions, counties, and municipalities.

(d) If a new career and technical education program is created by rule of the state board, the department of workforce development **and unemployment insurance** shall determine the category in which the program should be included.

SECTION 40. IC 20-43-8-10, AS AMENDED BY P.L.234-2007, SECTION 140, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 10. If a school corporation determines that the categories of career and technical education programs issued by the department of workforce development **and unemployment insurance** under section 2 of this chapter are not representative of the employment demand in the region surrounding the school corporation, the school corporation may petition the department of workforce development **and unemployment insurance** to recategorize for the school corporation the career and technical education programs offered by the school corporation according to the employment demand in the region surrounding the school corporation. The petition must include information supporting the school corporation's determination that the categories of career and technical education programs by the department of workforce development **and unemployment insurance** under section 2 of this chapter are not representative of the employment demand in the region surrounding the school corporation.

SECTION 41. IC 21-18-10-6, AS ADDED BY P.L.234-2007, SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) The commission may develop a definition for and report biennially to the:

- (1) general assembly;
- (2) governor; and
- (3) commission for career and technical education within the department of workforce development **and unemployment insurance**;

on attrition and persistence rates by students enrolled in state career and technical education.

(b) A report under this section to the general assembly must be in an electronic format under IC 5-14-6.

SECTION 42. IC 22-4-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. As a guide to the interpretation and application of this article, the public policy of this state is declared to be as follows: Economic insecurity due to

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unemployment is declared hereby to be a serious menace to the health, morale, and welfare of the people of this state and to the maintenance of public order within this state. Protection against this great hazard of our economic life can be provided in some measure by the required and systematic accumulation of funds during periods of employment to provide benefits to the unemployed during periods of unemployment and by encouragement of desirable stable employment. The enactment of this article to provide for payment of benefits to persons unemployed through no fault of their own, to encourage stabilization in employment, and to provide for integrated employment and training services in support of state economic development programs, and to provide maximum job training and employment opportunities for the unemployed, underemployed, the economically disadvantaged, dislocated workers, and others with substantial barriers to employment, is, therefore, essential to public welfare; and the same is declared to be a proper exercise of the police powers of the state. To further this public policy, the state, through its department of workforce development **and unemployment insurance**, will maintain close coordination among all federal, state, and local agencies whose mission affects the employment or employability of the unemployed and underemployed.

SECTION 43. IC 22-4-2-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3.5. "Commissioner" refers to the commissioner of **the department of** workforce development **and unemployment insurance**.

SECTION 44. IC 22-4-2-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 11. "Department" means the department of workforce development **and unemployment insurance**.

SECTION 45. IC 22-4-10.5-6, AS AMENDED BY P.L.202-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) The skills 2016 training program is to be administered by the Indiana economic development corporation in the manner prescribed by IC 5-28-27.

(b) The Indiana economic development corporation shall enter into an agreement with the department of workforce development **and unemployment insurance** for the department of workforce development **and unemployment insurance** to administer the fund.

SECTION 46. IC 22-4-14-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) An individual shall be eligible to receive extended benefits with respect to any week of unemployment in the individual's eligibility period only if the

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1 commissioner finds that with respect to such week:

2 (1) the individual is an "exhaustee" (as defined in
3 IC 22-4-2-34(i)); and

4 (2) the individual has satisfied the requirements of this article for
5 the receipt of regular benefits that are applicable to extended
6 benefits, including not being subject to a disqualification for the
7 receipt of benefits.

8 (b) If an individual has been disqualified from receiving extended
9 benefits for failure to actively engage in seeking work under
10 IC 22-4-15-2(c), the ineligibility shall continue for the week in which
11 the failure occurs and until the individual earns remuneration in
12 employment equal to or exceeding the weekly benefit amount of the
13 individual's claim in each of four (4) weeks. For purposes of this
14 subsection, an individual shall be treated as actively engaged in seeking
15 work during any week if:

16 (1) the individual has engaged in a systematic and sustained effort
17 to obtain work during the week; and

18 (2) the individual provides tangible evidence to the department of
19 workforce development **and unemployment insurance** that the
20 individual has engaged in an effort to obtain work during the
21 week.

22 (c) For claims for extended benefits established after September 25,
23 1982, notwithstanding any other provision of this article, an individual
24 shall be eligible to receive extended benefits only if the individual's
25 insured wages in the base period with respect to which the individual
26 exhausted all rights to regular compensation were equal to or exceeded
27 one and one-half (1 1/2) times the individual's insured wages in that
28 calendar quarter of the base period in which the individual's insured
29 wages were the highest.

30 SECTION 47. IC 22-4-14-11 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 11. (a) For weeks of
32 unemployment occurring after October 1, 1983, benefits may be paid
33 to an individual on the basis of service performed in seasonal
34 employment (as defined in IC 22-4-8-4) only if the claim is filed within
35 the operating period of the seasonal employment. If the claim is filed
36 outside the operating period of the seasonal employment, benefits may
37 be paid on the basis of nonseasonal wages only.

38 (b) An employer shall file an application for a seasonal
39 determination (as defined by IC 22-4-7-3) with the department of
40 workforce development **and unemployment insurance**. A seasonal
41 determination shall be made by the department within ninety (90) days
42 after the filing of such an application. Until a seasonal determination

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by the department has been made in accordance with this section, no employer or worker may be considered seasonal.

(c) Any interested party may file an appeal regarding a seasonal determination within fifteen (15) calendar days after the determination by the department and obtain review of the determination in accordance with IC 22-4-32.

(d) Whenever an employer is determined to be a seasonal employer, the following provisions apply:

(1) The seasonal determination becomes effective the first day of the calendar quarter commencing after the date of the seasonal determination.

(2) The seasonal determination does not affect any benefit rights of seasonal workers with respect to employment before the effective date of the seasonal determination.

(e) If a seasonal employer, after the date of its seasonal determination, operates its business or its seasonal operation during a period or periods of twenty-six (26) weeks or more in a calendar year, the employer shall be determined by the department to have lost its seasonal status with respect to that business or operation effective at the end of the then current calendar quarter. The redetermination shall be reported in writing to the employer. Any interested party may file an appeal within fifteen (15) calendar days after the redetermination by the department and obtain review of the redetermination in accordance with IC 22-4-32.

(f) Seasonal employers shall keep account of wages paid to seasonal workers within the seasonal period as determined by the department and shall report these wages on a special seasonal quarterly report form provided by the department.

(g) The board shall adopt rules applicable to seasonal employers for determining their normal seasonal period or periods.

SECTION 48. IC 22-4-15-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) With respect to benefit periods established on and after July 3, 1977, an individual is ineligible for waiting period or benefit rights, or extended benefit rights, if the department finds that, being totally, partially, or part-totally unemployed at the time when the work offer is effective or when the individual is directed to apply for work, the individual fails without good cause:

(1) to apply for available, suitable work when directed by the commissioner, the deputy, or an authorized representative of the department of workforce development **and unemployment insurance** or the United States training and employment service;

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(2) to accept, at any time after the individual is notified of a separation, suitable work when found for and offered to the individual by the commissioner, the deputy, or an authorized representative of the department of workforce development **and unemployment insurance** or the United States training and employment service, or an employment unit; or

(3) to return to the individual's customary self-employment when directed by the commissioner or the deputy.

(b) With respect to benefit periods established on and after July 6, 1980, the ineligibility shall continue for the week in which the failure occurs and until the individual earns remuneration in employment equal to or exceeding the weekly benefit amount of the individual's claim in each of eight (8) weeks. If the qualification amount has not been earned at the expiration of an individual's benefit period, the unearned amount shall be carried forward to an extended benefit period or to the benefit period of a subsequent claim.

(c) With respect to extended benefit periods established on and after July 5, 1981, the ineligibility shall continue for the week in which the failure occurs and until the individual earns remuneration in employment equal to or exceeding the weekly benefit amount of the individual's claim in each of four (4) weeks.

(d) If an individual failed to apply for or accept suitable work as outlined in this section, the maximum benefit amount of the individual's current claim, as initially determined, shall be reduced by twenty-five percent (25%). If twenty-five percent (25%) of the maximum benefit amount is not an even dollar amount, the amount of such reduction shall be raised to the next higher even dollar amount. The maximum benefit amount of the individual's current claim may not be reduced by more than twenty-five percent (25%) during any benefit period or extended benefit period.

(e) In determining whether or not any such work is suitable for an individual, the department shall consider:

- (1) the degree of risk involved to such individual's health, safety, and morals;
- (2) the individual's physical fitness and prior training and experience;
- (3) the individual's length of unemployment and prospects for securing local work in the individual's customary occupation; and
- (4) the distance of the available work from the individual's residence.

However, work under substantially the same terms and conditions under which the individual was employed by a base-period employer,

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1 which is within the individual's prior training and experience and
 2 physical capacity to perform, shall be considered to be suitable work
 3 unless the claimant has made a bona fide change in residence which
 4 makes such offered work unsuitable to the individual because of the
 5 distance involved. For an individual who is subject to section 1(c)(8)
 6 of this chapter, the determination of suitable work for the individual
 7 must reasonably accommodate the individual's need to address the
 8 physical, psychological, legal, and other effects of domestic or family
 9 violence.

10 (f) Notwithstanding any other provisions of this article, no work
 11 shall be considered suitable and benefits shall not be denied under this
 12 article to any otherwise eligible individual for refusing to accept new
 13 work under any of the following conditions:

14 (1) If the position offered is vacant due directly to a strike,
 15 lockout, or other labor dispute.

16 (2) If the remuneration, hours, or other conditions of the work
 17 offered are substantially less favorable to the individual than those
 18 prevailing for similar work in the locality.

19 (3) If as a condition of being employed the individual would be
 20 required to join a company union or to resign from or refrain from
 21 joining a bona fide labor organization.

22 (4) If as a condition of being employed the individual would be
 23 required to discontinue training into which the individual had
 24 entered with the approval of the department.

25 (g) Notwithstanding subsection (e), with respect to extended benefit
 26 periods established on and after July 5, 1981, "suitable work" means
 27 any work which is within an individual's capabilities. However, if the
 28 individual furnishes evidence satisfactory to the department that the
 29 individual's prospects for obtaining work in the individual's customary
 30 occupation within a reasonably short period are good, the determination
 31 of whether any work is suitable work shall be made as provided in
 32 subsection (e).

33 (h) With respect to extended benefit periods established on and after
 34 July 5, 1981, no work shall be considered suitable and extended
 35 benefits shall not be denied under this article to any otherwise eligible
 36 individual for refusing to accept new work under any of the following
 37 conditions:

38 (1) If the gross average weekly remuneration payable to the
 39 individual for the position would not exceed the sum of:

40 (A) the individual's average weekly benefit amount for the
 41 individual's benefit year; plus

42 (B) the amount (if any) of supplemental unemployment

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compensation benefits (as defined in Section 501(c)(17)(D) of the Internal Revenue Code) payable to the individual for such week.

(2) If the position was not offered to the individual in writing or was not listed with the department of workforce development **and unemployment insurance**.

(3) If such failure would not result in a denial of compensation under the provisions of this article to the extent that such provisions are not inconsistent with the applicable federal law.

(4) If the position pays wages less than the higher of:

(A) the minimum wage provided by 29 U.S.C. 206(a)(1) (The Fair Labor Standards Act of 1938), without regard to any exemption; or

(B) the state minimum wage (IC 22-2-2).

(i) The department of workforce development **and unemployment insurance** shall refer individuals eligible for extended benefits to any suitable work (as defined in subsection (g)) to which subsection (h) would not apply.

SECTION 49. IC 22-4-15-6.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6.1. (a) Notwithstanding any other provisions of this article, all of the individual's wage credits established prior to the day upon which the individual was discharged for gross misconduct in connection with work are canceled.

(b) As used in this section, "gross misconduct" ~~includes~~ means any of the following, as determined by the department by a preponderance of the evidence:

(1) A felony. ~~or~~

(2) A Class A misdemeanor. ~~committed in connection with work but only if the felony or misdemeanor is admitted by the individual or has resulted in a conviction.~~

(3) Working, or reporting for work, in a state of intoxication caused by the individual's use of alcohol or a controlled substance (as defined in IC 35-48-1-9).

(4) Battery on another individual while on the employer's property or during working hours.

(5) Theft or embezzlement.

(6) Fraud.

(c) An employer:

(1) has the burden of proving by a preponderance of the evidence that a discharged employee's conduct was gross misconduct; and

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(2) may present evidence that the employer filled or maintained the position or job held by the discharged employee after the employee's discharge.

(d) It is not a defense under this section that a discharged employee's conduct did not result in:

(1) a prosecution for an offense; or

(2) a conviction of an offense.

SECTION 50. IC 22-4-17-2, AS AMENDED BY P.L.108-2006, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) When an individual files an initial claim, the department shall promptly make a determination of the individual's status as an insured worker in a form prescribed by the department. A written notice of the determination of insured status shall be furnished to the individual promptly. Each such determination shall be based on and include a written statement showing the amount of wages paid to the individual for insured work by each employer during the individual's base period and shall include a finding as to whether such wages meet the requirements for the individual to be an insured worker, and, if so, the week ending date of the first week of the individual's benefit period, the individual's weekly benefit amount, and the maximum amount of benefits that may be paid to the individual for weeks of unemployment in the individual's benefit period. For the individual who is not insured, the notice shall include the reason for the determination. Unless the individual, within ten (10) days after such determination was mailed to the individual's last known address, or otherwise delivered to the individual, asks a hearing thereon before an administrative law judge, such determination shall be final and benefits shall be paid or denied in accordance therewith.

(b) The department shall promptly furnish each employer in the base period whose experience or reimbursable account is potentially chargeable with benefits to be paid to such individual with ~~a~~ **actual** notice in writing of the employer's benefit liability. ~~Such~~ **The** notice shall contain the date, the name and Social Security account number of the individual, the ending date of the individual's base period, ~~and~~ the week ending date of the first week of the individual's benefit period, ~~Such~~ **the time by which the employer is required to respond to the notice, and complete information about the rules of evidence and standards of proof that the department will apply to determine the validity of a claim, if an employer disputes the claim.** The notice shall further contain information as to the proportion of benefits chargeable to the employer's experience or reimbursable account in ratio to the earnings of such individual from such employer. Unless the

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1 employer, within ten (10) days after ~~such the employer receives~~
 2 **actual** notice of benefit liability, ~~was mailed to the employer's last~~
 3 ~~known address, or otherwise delivered to the employer,~~ asks a hearing
 4 thereon before an administrative law judge, such determination shall
 5 be final and benefits paid shall be charged in accordance therewith.

6 (c) An employing unit, including an employer, having knowledge of
 7 any facts which may affect an individual's eligibility or right to waiting
 8 period credits or benefits, shall notify the department of such facts
 9 within ten (10) days after the ~~mailing of employing unit receives~~
 10 **actual** notice that a former employee has filed an initial or additional
 11 claim for benefits on a form prescribed by the department.

12 (d) In addition to the foregoing determination of insured status by
 13 the department, the deputy shall, throughout the benefit period,
 14 determine the claimant's eligibility with respect to each week for which
 15 the claimant claims waiting period credit or benefit rights, the validity
 16 of the claimant's claim therefor, and the cause for which the claimant
 17 left the claimant's work, or may refer such claim to an administrative
 18 law judge who shall make the initial determination with respect thereto
 19 in accordance with the procedure in IC 22-4-17-3. **Before a**
 20 **determination is made under this subsection, each employer in the**
 21 **base period whose experience or reimbursable account is**
 22 **potentially chargeable with benefits to be paid to the claimant must**
 23 **receive actual notice of the employer's potential benefit liability,**
 24 **the time by which the employer is required to respond to the notice,**
 25 **and complete information about the rules of evidence and**
 26 **standards of proof that the deputy will apply to determine the**
 27 **validity of the claim.**

28 (e) In cases where the claimant's benefit eligibility or
 29 disqualification is disputed, the department shall promptly notify the
 30 claimant and the employer or employers directly involved or connected
 31 with the issue raised as to the validity of such claim, the eligibility of
 32 the claimant for waiting period credit or benefits, or the imposition of
 33 a disqualification period or penalty, or the denial thereof, and of the
 34 cause for which the claimant left the claimant's work, of such
 35 determination and the reasons thereof.

36 (f) Except as otherwise hereinafter provided in this ~~subsection~~
 37 **section** regarding parties located in Alaska, Hawaii, and Puerto Rico,
 38 unless:

39 (1) the claimant, ~~or such employer, within not later than~~ ten (10)
 40 days after ~~such the~~ notification **required by subsection (e)** was
 41 mailed to the claimant's ~~or the employer's~~ last known address;

42 (2) the employer, not later than ten (10) days after the

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1 **employer actually receives the notification required by**
 2 **subsection (e); or**

3 **(3) the claimant or the employer, not later than ten (10) days**
 4 **after the notification required by subsection (e) is otherwise**
 5 **actually delivered to the claimant or the employer;**

6 asks **for** a hearing before an administrative law judge thereon, such
 7 decision shall be final and benefits shall be paid or denied in
 8 accordance therewith.

9 **(g)** With respect to notice of disputed administrative determination
 10 or decision mailed or otherwise delivered to the claimant or employer
 11 either of whom is located in Alaska, Hawaii, or Puerto Rico, unless:
 12 ~~such~~

13 **(1) the claimant, or employer, within not later than fifteen (15)**
 14 **days after ~~such~~ the notification required by subsection (e) was**
 15 **mailed to the claimant's or employer's last known address;**

16 **(2) the employer, not later than fifteen (15) days after the**
 17 **employer actually receives the notification required by**
 18 **subsection (e); or**

19 **(3) the claimant or the employer, not later than fifteen (15)**
 20 **days after the notification required by subsection (e) is**
 21 **otherwise actually delivered to the claimant or employer;**

22 asks **for** a hearing before an administrative law judge thereon, such
 23 decision shall be final and benefits shall be paid or denied in
 24 accordance therewith.

25 **(h)** If ~~such a claimant or employer desires a hearing is desired;~~
 26 **under subsection (f) or (g),** the request therefor shall be filed with the
 27 department in writing within the prescribed periods as above set forth
 28 in this ~~subsection~~ **section** and shall be in such form as the department
 29 may prescribe. In the event a hearing is requested by an employer or
 30 the department after it has been administratively determined that
 31 benefits should be allowed to a claimant, entitled benefits shall
 32 continue to be paid to said claimant unless said administrative
 33 determination has been reversed by a due process hearing. Benefits
 34 with respect to any week not in dispute shall be paid promptly
 35 regardless of any appeal.

36 ~~(f)~~ **(i)** A person may not participate on behalf of the department in
 37 any case in which the person is an interested party.

38 ~~(g)~~ **(j)** Solely on the ground of obvious administrative error
 39 appearing on the face of an original determination, and within the
 40 benefit year of the affected claims, the commissioner, or a
 41 representative authorized by the commissioner to act in the
 42 commissioner's behalf, may reconsider and direct the deputy to revise

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the original determination so as to correct the obvious error appearing therein. Time for filing an appeal and requesting a hearing before an administrative law judge regarding the determinations handed down pursuant to this subsection shall begin on the date following the date of revision of the original determination and shall be filed with the commissioner in writing within the prescribed periods as above set forth in subsection (c).

(k) Notice to the employer and the claimant that the determination of the department is final if a hearing is not requested shall be prominently displayed on the notice of the determination which is sent to the employer and the claimant.

(l) If an allegation of the applicability of IC 22-4-15-1(c)(8) is made by the individual at the time of the claim for benefits, the department shall not notify the employer of the claimant's current address or physical location.

SECTION 51. IC 22-4-17-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) Unless such request for hearing is withdrawn, an administrative law judge, after **providing the notice required under section 6 of this chapter and** affording the parties a reasonable opportunity for fair hearing, shall affirm, modify, or reverse the findings of fact and decision of the deputy.

(b) The parties shall be duly notified of ~~such~~ the decision made under subsection (a) and the reasons therefor, which shall be deemed to be the final decision of the review board, unless, **subject to subsection (c)**, within fifteen (15) days after the date of notification or mailing of such decision, an appeal is taken by the commissioner or by any party adversely affected by such decision to the review board.

(c) **Notwithstanding subsection (b), whenever an employer is a party adversely affected by a decision made under subsection (a), the employer has fifteen (15) days after the date the employer receives actual notice of the decision to take an appeal to the review board.**

SECTION 52. IC 22-4-17-4, AS AMENDED BY P.L.108-2006, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) The department shall employ one (1) or more administrative law judges to hear and decide disputed claims. Administrative law judges employed under this section are not subject to IC 4-21.5 or any other statute regulating administrative law judges, unless specifically provided.

(b) **The department shall at least annually provide to all administrative law judges, review board members, and other**

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1 individuals who adjudicate claims training concerning:

- 2 (1) unemployment compensation law;
 3 (2) rules for the conduct of hearings and appeals; and
 4 (3) rules of conduct for administrative law judges, review
 5 board members, and other individuals who adjudicate claims
 6 during a hearing or other adjudicative process.

7 (c) The department regularly shall monitor the hearings and
 8 decisions of its administrative law judges, review board members,
 9 and other individuals who adjudicate claims to ensure that the
 10 hearings and decisions strictly comply with the law and the rules
 11 described in subsection (b).

12 (d) An individual who does not strictly comply with the law and
 13 the rules described in subsection (b), including the rules of conduct
 14 for administrative law judges, review board members, and other
 15 individuals who adjudicate claims during a hearing or other
 16 adjudicative process, is subject to disciplinary action by the
 17 department, up to and including suspension from or termination
 18 of employment.

19 SECTION 53. IC 22-4-17-5 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) The governor
 21 shall appoint a review board composed of three (3) members, not more
 22 than two (2) of whom shall be members of the same political party,
 23 with salaries to be fixed by the governor. The review board shall
 24 consist of the chairman and the two (2) members who shall serve for
 25 terms of three (3) years. At least one (1) member must be admitted to
 26 the practice of law in Indiana.

27 (b) Any claim pending before an administrative law judge, and all
 28 proceedings therein, may be transferred to and determined by the
 29 review board upon its own motion, at any time before the
 30 administrative law judge announces his decision. Any claim pending
 31 before either an administrative law judge or the review board may be
 32 transferred to the board for determination at the direction of the board.
 33 If the review board considers it advisable to procure additional
 34 evidence, it may direct the taking of additional evidence within a time
 35 period it shall fix. **An employer that is a party to a claim transferred**
 36 **to the review board or the board under this subsection is entitled**
 37 **to receive notice in accordance with section 6 of this chapter of the**
 38 **transfer or any other action to be taken under this section before**
 39 **the determination or other action concerning the claim is taken.**

40 (c) Any proceeding so removed to the review board shall be heard
 41 by a quorum of the review board in accordance with the requirements
 42 of section 3 of this chapter. The review board shall notify the parties to

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1 any claim of its decision, together with its reasons for the decision.

2 (d) Members of the review board, when acting as administrative law
3 judges, are subject to section 15 of this chapter.

4 (e) The review board may on the board's own motion affirm, modify,
5 set aside, remand, or reverse the findings, conclusions, or orders of an
6 administrative law judge on the basis of any of the following:

7 (1) Evidence previously submitted to the administrative law
8 judge.

9 (2) The record of the proceeding after the taking of additional
10 evidence as directed by the review board.

11 (3) A procedural error by the administrative law judge.

12 SECTION 54. IC 22-4-17-6, AS AMENDED BY P.L.108-2006,
13 SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JULY 1, 2009]: Sec. 6. **(a)** The manner in which disputed claims shall
15 be presented and the conduct of hearings and appeals, **including the**
16 **conduct of administrative law judges, review board members, and**
17 **other individuals who adjudicate claims during a hearing or other**
18 **adjudicative process**, shall be in accordance with rules adopted by the
19 department for determining the rights of the parties, whether or not the
20 rules conform to common law or statutory rules of evidence and other
21 technical rules of procedure.

22 **(b)** A full and complete record shall be kept of all proceedings in
23 connection with a disputed claim. The testimony at any hearing upon
24 a disputed claim need not be transcribed unless the disputed claim is
25 further appealed.

26 **(c)** Each party to a hearing before an administrative law judge held
27 under section 3 of this chapter shall be mailed a notice of the hearing
28 at least ten (10) days before the date of the hearing specifying the **date**,
29 place, and time of the hearing, **and** identifying the issues to be decided,
30 **and providing complete information about the rules of evidence**
31 **and standards of proof that the administrative law judge will use**
32 **to determine the validity of the claim. An employer must receive**
33 **actual notice of a hearing before the hearing may be held.**

34 **(d)** If a hearing so scheduled has not commenced within at least
35 sixty (60) minutes of the time for which it was scheduled, then a party
36 involved in the hearing may request a continuance of the hearing. Upon
37 submission of a request for continuance of a hearing under
38 circumstances provided in this section, **including an employer's**
39 **failure to receive actual notice of a hearing as required under**
40 **subsection (c)**, the continuance shall be granted unless the party
41 requesting the continuance was responsible for the delay in the
42 commencement of the hearing as originally scheduled. In the latter

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instance, the continuance shall be discretionary with the administrative law judge. Testimony or other evidence introduced by a party at a hearing before an administrative law judge or the review board that another party to the hearing:

(1) is not prepared to meet; and

(2) by ordinary prudence could not be expected to have anticipated;

shall be good cause for continuance of the hearing and upon motion such continuance shall be granted.

SECTION 55. IC 22-4-17-14, AS AMENDED BY P.L.108-2006, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 14. **(a) This section does not apply to a notice given to an employer if the employer is required under this chapter to receive actual notice.**

~~(a)~~ **(b) Except as otherwise provided by this chapter,** this section applies to notices given under sections 2, 3, 11, and 12 of this chapter. This section does not apply to rules adopted by the board or the department, unless specifically provided.

~~(b)~~ **(c)** As used in this section, "notices" includes mailings of notices, determinations, decisions, orders, motions, or the filing of any document with the appellate division or review board.

~~(c)~~ **(d)** If a notice is served through the United States mail, three (3) days must be added to a period that commences upon service of that notice.

~~(d)~~ **(e)** The filing of a document with the appellate division or review board is complete on the earliest of the following dates that apply to the filing:

(1) The date on which the document is delivered to the appellate division or review board.

(2) The date of the postmark on the envelope containing the document if the document is mailed to the appellate division or review board by the United States Postal Service.

(3) The date on which the document is deposited with a private carrier, as shown by a receipt issued by the carrier, if the document is sent to the appellate division or review board by a private carrier.

SECTION 56. IC 22-4-18-1, AS AMENDED BY P.L.234-2007, SECTION 141, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) There is created a department under IC 22-4.1-2-1 which shall be known as the department of workforce development **and unemployment insurance.**

(b) The department of workforce development **and unemployment**

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insurance may:

(1) Administer the unemployment insurance program, the Wagner-Peyser program, the Workforce Investment Act, a free public labor exchange, and related federal and state employment and training programs as directed by the governor.

(2) Formulate and implement an employment and training plan as required by the Workforce Investment Act (29 U.S.C. 2801 et seq.), including reauthorizations of the Act, and the Wagner-Peyser Act (29 U.S.C. 49 et seq.).

(3) Coordinate activities with all state agencies and departments that either provide employment and training related services or operate appropriate resources or facilities, to maximize Indiana's efforts to provide employment opportunities for economically disadvantaged individuals, dislocated workers, and others with substantial barriers to employment.

(4) Apply for, receive, disburse, allocate, and account for all funds, grants, gifts, and contributions of money, property, labor, and other things of value from public and private sources, including grants from agencies and instrumentalities of the state and the federal government.

(5) Enter into agreements with the United States government that may be required as a condition of obtaining federal funds related to activities of the department.

(6) Enter into contracts or agreements and cooperate with local governmental units or corporations, including profit or nonprofit corporations, or combinations of units and corporations to carry out the duties of the department imposed by this chapter, including contracts for the establishment and administration of employment and training offices and the delegation of the department's administrative, monitoring, and program responsibilities and duties set forth in this article.

(7) Perform other services and activities that are specified in contracts for payments or reimbursement of the costs made with the Secretary of Labor, any federal, state, or local public agency or administrative entity, or a private for-profit or nonprofit organization under the Workforce Investment Act (29 U.S.C. 2801 et seq.), including reauthorizations of the Act.

(8) Enter into contracts or agreements and cooperate with entities that provide career and technical education to carry out the duties imposed by this chapter.

(c) The payment of unemployment insurance benefits must be made in accordance with 26 U.S.C. 3304.

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(d) The department of workforce development **and unemployment insurance** may do all acts and things necessary or proper to carry out the powers expressly granted under this article, including the adoption of rules under IC 4-22-2.

(e) The department of workforce development **and unemployment insurance** may not charge any claimant for benefits for providing services under this article, except as provided in IC 22-4-17-12.

(f) The department of workforce development **and unemployment insurance** shall distribute federal funds made available for employment training in accordance with:

(1) 29 U.S.C. 2801 et seq., including reauthorizations of the Act, and other applicable federal laws; and

(2) the plan prepared by the department under subsection (g)(1).

(g) In addition to the duties prescribed in subsections (a) through (f), the department of workforce development **and unemployment insurance** shall do the following:

(1) Implement to the best of its ability its employment training programs and the comprehensive career and technical education program in Indiana developed under the long range plan under IC 22-4.1-13.

(2) Upon request of the budget director, prepare a legislative budget request for state and federal funds for employment training. The budget director shall determine the period to be covered by the budget request.

(3) Evaluate its programs according to criteria established by the Indiana commission for career and technical education within the department of workforce development **and unemployment insurance** under IC 22-4.1-13.

(4) Make or cause to be made studies of the needs for various types of programs that are related to employment training and authorized under the Workforce Investment Act, including reauthorizations of the Act.

(5) Distribute state funds made available for employment training that have been appropriated by the general assembly in accordance with:

(A) the general assembly appropriation; and

(B) the plan prepared by the department under subdivision (1).

(6) Establish, implement, and maintain a training program in the nature and dynamics of domestic and family violence for training of all employees of the department who interact with a claimant for benefits to determine whether the claim of the individual for unemployment benefits is valid and to determine that employment

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1 separations stemming from domestic or family violence are
 2 reliably screened, identified, and adjudicated and that victims of
 3 domestic or family violence are able to take advantage of the full
 4 range of job services provided by the department. The training
 5 presenters shall include domestic violence experts with expertise
 6 in the delivery of direct services to victims of domestic violence,
 7 including using the staff of shelters for battered women in the
 8 presentation of the training. The initial training shall consist of
 9 instruction of not less than six (6) hours. Refresher training shall
 10 be required annually and shall consist of instruction of not less
 11 than three (3) hours.

12 SECTION 57. IC 22-4-18-4 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. The department of
 14 workforce development **and unemployment insurance** established
 15 under IC 22-4.1-2-1 shall administer job training and placement
 16 services, the skills 2016 training program established by
 17 IC 22-4-10.5-2, and unemployment insurance.

18 SECTION 58. IC 22-4-18-7 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) The department
 20 annually shall prepare a written report of its training activities and the
 21 training activities of the various workforce investment boards during
 22 the immediately preceding state fiscal year. The department's annual
 23 report for a particular state fiscal year must include information for
 24 each training project for which either the department or a workforce
 25 development board provided any funding during that state fiscal year.
 26 At a minimum, the following information must be provided for such a
 27 training project:

- 28 (1) A description of the training project, including the name and
 29 address of the training provider.
- 30 (2) The amount of funding that either the department or a
 31 workforce investment board provided for the project and an
 32 indication of which entity provided the funding.
- 33 (3) The number of trainees who participated in the project.
- 34 (4) Demographic information about the trainees, including the age
 35 of each trainee, the education attainment level of each trainee, and
 36 for those training projects that have specific gender requirements,
 37 the gender of each trainee.
- 38 (5) The results of the project, including skills developed by
 39 trainees, any license or certification associated with the training
 40 project, the extent to which trainees have been able to secure
 41 employment or obtain better employment, and descriptions of the
 42 specific jobs which trainees have been able to secure or to which

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trainees have been able to advance.

(b) With respect to trainees that have been able to secure employment or obtain better employment, the department of workforce development **and unemployment insurance** shall compile data on the retention rates of those trainees in the jobs which the trainees secured or to which they advanced. The department shall include information concerning those retention rates in each of its annual reports.

(c) On or before October 1 of each state fiscal year, each workforce investment board shall provide the department with a written report of its training activities for the immediately preceding state fiscal year. The workforce development board shall prepare the report in the manner prescribed by the department. However, at a minimum, the workforce development board shall include in its report the information required by subsection (a) for each training project for which the workforce development board provided any funding during the state fiscal year covered by the report. In addition, the workforce development board shall include in each report retention rate information as set forth in subsection (b).

(d) The department shall provide a copy of its annual report for a particular state fiscal year to the:

- (1) governor;
- (2) legislative council; and
- (3) unemployment insurance board;

on or before December 1 of the immediately preceding state fiscal year. An annual report provided under this subsection to the legislative council must be in an electronic format under IC 5-14-6.

SECTION 59. IC 22-4-18.1-7, AS AMENDED BY P.L.161-2006, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) Except as provided in subsection (b) and subject to the approval of the commissioner of the department of workforce development **and unemployment insurance**, the state personnel department, and the budget agency, the council may employ professional, technical, and clerical personnel necessary to carry out the duties imposed by this chapter using the following:

- (1) Funds available under applicable federal and state programs.
- (2) Appropriations by the general assembly for this purpose.
- (3) Funds in the state technology advancement and retention account established by IC 4-12-12-1.
- (4) Other funds (other than federal funds) available to the council for this purpose.

(b) Subject to the approval of the commissioner of the department of workforce development **and unemployment insurance** and the

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1 budget agency, the council may contract for services necessary to
2 implement this chapter.

3 (c) The council is subject to:

4 (1) the allotment system administered by the budget agency; and

5 (2) financial oversight by the office of management and budget.

6 SECTION 60. IC 22-4-25-1, AS AMENDED BY P.L.138-2008,
7 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JULY 1, 2009]: Sec. 1. (a) There is created in the state treasury a
9 special fund to be known as the special employment and training
10 services fund. All interest on delinquent contributions and penalties
11 collected under this article, together with any voluntary contributions
12 tendered as a contribution to this fund, shall be paid into this fund. The
13 money shall not be expended or available for expenditure in any
14 manner which would permit their substitution for (or a corresponding
15 reduction in) federal funds which would in the absence of said money
16 be available to finance expenditures for the administration of this
17 article, but nothing in this section shall prevent said money from being
18 used as a revolving fund to cover expenditures necessary and proper
19 under the law for which federal funds have been duly requested but not
20 yet received, subject to the charging of such expenditures against such
21 funds when received. The money in this fund shall be used by the board
22 for the payment of refunds of interest on delinquent contributions and
23 penalties so collected, for the payment of costs of administration which
24 are found not to have been properly and validly chargeable against
25 federal grants or other funds received for or in the employment and
26 training services administration fund, on and after July 1, 1945. Such
27 money shall be available either to satisfy the obligations incurred by the
28 board directly, or by transfer by the board of the required amount from
29 the special employment and training services fund to the employment
30 and training services administration fund. The board shall order the
31 transfer of such funds or the payment of any such obligation or
32 expenditure and such funds shall be paid by the treasurer of state on
33 requisition drawn by the board directing the auditor of state to issue the
34 auditor's warrant therefor. Any such warrant shall be drawn by the state
35 auditor based upon vouchers certified by the board or the
36 commissioner. The money in this fund is hereby specifically made
37 available to replace within a reasonable time any money received by
38 this state pursuant to 42 U.S.C. 502, as amended, which, because of any
39 action or contingency, has been lost or has been expended for purposes
40 other than or in amounts in excess of those approved by the bureau of
41 employment security. The money in this fund shall be continuously
42 available to the board for expenditures in accordance with the

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provisions of this section and shall not lapse at any time or be transferred to any other fund, except as provided in this article. Nothing in this section shall be construed to limit, alter, or amend the liability of the state assumed and created by IC 22-4-28, or to change the procedure prescribed in IC 22-4-28 for the satisfaction of such liability, except to the extent that such liability may be satisfied by and out of the funds of such special employment and training services fund created by this section.

(b) Whenever the balance in the special employment and training services fund is ~~deemed excessive by the board;~~ **exceeds eight million five hundred thousand dollars (\$8,500,000)**, the board shall order payment **of the amount that exceeds eight million five hundred thousand dollars (\$8,500,000)** into the unemployment insurance benefit fund. ~~of the amount of the special employment and training services fund deemed to be excessive.~~

(c) Subject to the approval of the board and the availability of funds, on July 1, 2008, and each subsequent July 1, the commissioner shall release:

(1) one million dollars (\$1,000,000) to the state educational institution established under IC 21-25-2-1 for training provided to participants in apprenticeship programs approved by the United States Department of Labor, Bureau of Apprenticeship and Training;

(2) four million dollars (\$4,000,000) to the state educational institution instituted and incorporated under IC 21-22-2-1 for training provided to participants in joint labor and management apprenticeship programs approved by the United States Department of Labor, Bureau of Apprenticeship and Training; ~~and~~

(3) two hundred fifty thousand dollars (\$250,000) for journeyman upgrade training to each of the state educational institutions described in subdivisions (1) and (2); **and**

(4) four hundred fifty thousand dollars (\$450,000) annually for training and counseling assistance provided by Hometown Plans under 41 CFR 60-4.5 for individuals who have been unemployed for at least four (4) weeks or whose annual income is less than twenty thousand dollars (\$20,000). The training and counseling assistance programs funded by this subsection must be approved by the United States Department of Labor's Bureau of Apprenticeship Training.

Each state educational institution described in this subsection is entitled to keep ten percent (10%) of the funds released under this

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subsection for the payment of costs of administering the funds. On each June 30 following the release of the funds, any funds released under this subsection not used by the state educational institutions under this subsection shall be returned to the special employment and training services fund.

SECTION 61. IC 22-4-26-5, AS AMENDED BY P.L.3-2008, SECTION 160, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) Money credited to the account of this state in the unemployment trust fund by the Secretary of the Treasury of the United States pursuant to 42 U.S.C. 1103, as amended, may be requisitioned and used for the payment of expenses incurred for the administration of this article and public employment offices pursuant to a specific appropriation by the general assembly, provided that the expenses are incurred and the money is requisitioned after the enactment of an appropriation statute which:

(1) specifies the purposes for which such money is appropriated and the amounts appropriated therefor;

(2) except as provided in subsection (i), limits the period within which such money may be obligated to a period ending not more than two (2) years after the date of the enactment of the appropriation statute; and

(3) limits the total amount which may be obligated during a twelve (12) month period beginning on July 1 and ending on the next June 30 to an amount which does not exceed the amount by which:

(A) the aggregate of the amounts credited to the account of this state pursuant to 42 U.S.C. 1103, as amended, during such twelve (12) month period and the twenty-four (24) preceding twelve (12) month periods; exceeds

(B) the aggregate of the amounts obligated by this state pursuant to this section and amounts paid out for benefits and charged against the amounts credited to the account of this state during such twenty-five (25) twelve (12) month periods.

(b) For the purposes of this section, amounts obligated by this state during any such twelve (12) month period shall be charged against equivalent amounts which were first credited and which have not previously been so charged, except that no amount obligated for administration of this article and public employment offices during any such twelve (12) month period may be charged against any amount credited during such twelve (12) month period earlier than the fourteenth preceding such twelve (12) month period.

(c) Amounts credited to the account of this state pursuant to 42

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U.S.C. 1103, as amended, may not be obligated except for the payment of cash benefits to individuals with respect to their unemployment and for the payment of expenses incurred for the administration of this article and public employment offices pursuant to this section.

(d) Money appropriated as provided in this section for the payment of expenses incurred for the administration of this article and public employment offices pursuant to this section shall be requisitioned as needed for payment of obligations incurred under such appropriation and upon requisition shall be deposited in the employment and training services administration fund but, until expended, shall remain a part of the unemployment insurance benefit fund. The commissioner shall maintain a separate record of the deposit, obligation, expenditure, and return of funds so deposited. If any money so deposited is for any reason not to be expended for the purpose for which it was appropriated, or if it remains unexpended at the end of the period specified by the statute appropriating such money, it shall be withdrawn and returned to the Secretary of the Treasury of the United States for credit to this state's account in the unemployment trust fund.

(e) There is appropriated out of the funds made available to Indiana under Section 903 of the Social Security Act, as amended by Section 209 of the Temporary Extended Unemployment Compensation Act of 2002 (which is Title II of the federal Jobs Creation and Worker Assistance Act of 2002, Pub.L107-147), seventy-two million two hundred thousand dollars (\$72,200,000) to the department of workforce development **and unemployment insurance**. The appropriation made by this subsection is available for ten (10) state fiscal years beginning with the state fiscal year beginning July 1, 2003. Unencumbered money at the end of a state fiscal year does not revert to the state general fund.

(f) Money appropriated under subsection (e) is subject to the requirements of IC 22-4-37-1.

(g) Money appropriated under subsection (e) may be used only for the following purposes:

(1) The administration of the Unemployment Insurance (UI) program and the Wagner Peyser public employment office program.

(2) Acquiring land and erecting buildings for the use of the department of workforce development **and unemployment insurance**.

(3) Improvements, facilities, paving, landscaping, and equipment repair and maintenance that may be required by the department of workforce development **and unemployment insurance**.

(h) In accordance with the requirements of subsection (g), the

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department of workforce development **and unemployment insurance** may allocate up to the following amounts from the amount described in subsection (e) for the following purposes:

(1) Thirty-nine million two hundred thousand dollars (\$39,200,000) to be used for the modernization of the Unemployment Insurance (UI) system beginning July 1, 2003, and ending June 30, 2013.

(2) For:

(A) the state fiscal year beginning after June 30, 2003, and

ending before July 1, 2004, five million dollars (\$5,000,000);

(B) the state fiscal year beginning after June 30, 2004, and

ending before July 1, 2005, five million dollars (\$5,000,000);

(C) the state fiscal year beginning after June 30, 2005, and

ending before July 1, 2006, five million dollars (\$5,000,000);

(D) the state fiscal year beginning after June 30, 2006, and

ending before July 1, 2007, five million dollars (\$5,000,000);

(E) the state fiscal year beginning after June 30, 2007, and

ending before July 1, 2008, five million dollars (\$5,000,000);

and

(F) state fiscal years beginning after June 30, 2008, and ending

before July 1, 2012, the unused part of any amount allocated

in any year for any purpose under this subsection;

for the JOBS proposal to meet the workforce needs of Indiana employers in high wage, high skill, high demand occupations.

(3) For:

(A) the state fiscal year beginning after June 30, 2003, and

ending before July 1, 2004, four million dollars (\$4,000,000);

and

(B) the state fiscal year beginning after June 30, 2004, and

ending before July 1, 2005, four million dollars (\$4,000,000);

to be used by the workforce investment boards in the administration of Indiana's public employment offices.

(i) The amount appropriated under subsection (e) for the payment of expenses incurred in the administration of this article and public employment is not required to be obligated within the two (2) year period described in subsection (a)(2).

SECTION 62. IC 22-4-43 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Chapter 43. Hoosier Workers First Training Program

Sec. 1. As used in this chapter, "fund" refers to the Hoosier workers first training fund established by section 5 of this chapter.

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1 **Sec. 2. The Hoosier workers first training program is**
 2 **established for the following purposes:**

- 3 (1) To improve manufacturing productivity levels in Indiana.
 4 (2) To enable firms to become competitive by making workers
 5 more productive through training.
 6 (3) To create a competitive economy by creating and retaining
 7 jobs.
 8 (4) To encourage the increased training necessary because of
 9 an aging workforce.
 10 (5) To avoid potential payment of unemployment
 11 compensation by providing workers with enhanced job skills.

12 **Sec. 3. The department shall administer the Hoosier workers**
 13 **first training program.**

14 **Sec. 4. For each state fiscal year, the department shall prepare**
 15 **an annual report on the use of the fund as a part of the report**
 16 **required by IC 22-4-18-7.**

17 **Sec. 5. (a) The Hoosier workers first training fund is established**
 18 **to do the following:**

- 19 (1) Administer the costs of the Hoosier workers first training
 20 program established by section 2 of this chapter.
 21 (2) Undertake any program or activity that furthers the
 22 purposes of this chapter.

23 (b) The money in the fund shall be allocated to employers or
 24 consortiums for worker training grants that enable workers who
 25 reside in Indiana to obtain recognizable credentials or
 26 certifications and transferable employment skills that improve
 27 employer competitiveness.

28 (c) Special consideration shall be given to Ivy Tech Community
 29 College (as defined in IC 21-7-13-22) to be the provider of the
 30 training funded under this chapter whenever the state educational
 31 institution:

- 32 (1) meets the identified training needs of an employer or a
 33 consortium with an existing credentialing or certification
 34 program; and
 35 (2) is the most cost effective provider.

36 (d) For the worker training grants described in subsection (b),
 37 the department shall do the following:

- 38 (1) Provide grant applications to interested employers and
 39 consortiums.
 40 (2) Accept completed applications for the grants.
 41 (3) Obtain all information necessary or appropriate to
 42 determine whether an applicant qualifies for a grant,

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including information concerning:

- (A) the applicant;
- (B) the training to be offered;
- (C) the training provider; and
- (D) the workers to be trained.

(4) Allocate the money in the fund in accordance with subsections (b) and (c).

(e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.

(f) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(g) The fund consists of the following:

- (1) Appropriations from the general assembly.
- (2) Earnings acquired through the use of money belonging to the fund.
- (3) Money deposited in the fund from any other source.

(h) Any balance in the fund does not lapse but is available continuously to the department for expenditures for the program established by this chapter.

SECTION 63. IC 22-4.1-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. "Commissioner" refers to the commissioner of the department of workforce development **and unemployment insurance** appointed under IC 22-4.1-3-1.

SECTION 64. IC 22-4.1-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. "Department" refers to the department of workforce development **and unemployment insurance** established under IC 22-4.1-2.

SECTION 65. IC 22-4.1-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. The department of workforce development **and unemployment insurance** is established. Notwithstanding any other law, the department is the sole agency to plan, coordinate, implement, monitor, and make recommendations regarding initiatives designed to prepare Indiana's workforce for effective participation in the competitive and global economy.

SECTION 66. IC 22-4.1-2-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 1.5. After June 30, 2009, a reference to the department of workforce development in Indiana law, a rule, or another document is considered to be a reference to the department of workforce development and unemployment insurance.**

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SECTION 67. IC 22-4.1-3-4, AS AMENDED BY P.L.234-2007, SECTION 145, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. Funds necessary to support the operating costs of the department of workforce development **and unemployment insurance** beyond those approved and appropriated by the United States Congress or approved by federal agencies for the operation of the department and specifically authorized by other provisions of IC 22-4:

(1) must be specifically appropriated from the state general fund for this purpose; and

(2) may not be derived from other state or federal funds directed for unemployment insurance programs under IC 22-4, including funds under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), any other grants or funds that are passed through for job training programs, the Carl D. Perkins Vocational and Applied Technology Act (20 U.S.C. 2301 et seq.), and any other grant or funds for career and technical education.

SECTION 68. IC 22-4.5-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. "Department" refers to the department of workforce development **and unemployment insurance** established under IC 22-4.1-2.

SECTION 69. IC 23-15-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. The secretary of state shall, upon request from the department of workforce development **and unemployment insurance**, provide to the department of workforce development **and unemployment insurance** a list of:

- (1) corporations;
- (2) nonprofit corporations;
- (3) limited partnerships; and
- (4) limited liability companies;

that have been administratively, judicially, or voluntarily dissolved under IC 23.

SECTION 70. IC 27-16-10-3, AS ADDED BY P.L.245-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. Upon the:

- (1) termination of a professional employer agreement; or
- (2) failure by a PEO to submit reports or make tax payments as required under this article;

the client must be treated by the department of workforce development **and unemployment insurance** as a new employer without a previous experience record unless the client is otherwise eligible for an experience rating.

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SECTION 71. IC 31-25-4-8, AS ADDED BY P.L.145-2006, SECTION 271, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8. In addition to the duties imposed by section 7 of this chapter, the bureau shall do the following:

(1) Perform one (1) of the following under IC 22-4-39:

(A) Enter into an agreement with each individual who owes a child support obligation being enforced by the child support bureau and who is eligible for unemployment compensation benefits under IC 22-4 to have a specified amount withheld from the benefits otherwise payable to the individual, not to exceed the individual's unemployment compensation weekly benefit amount.

(B) Bring legal process to require the withholding of specified amounts from the individual's unemployment compensation benefits.

(C) Accept an amount specified by the individual to be deducted and withheld by the department of workforce development **and unemployment insurance**.

(2) Notify the department of workforce development **and unemployment insurance** of the amounts to be deducted from an individual's unemployment compensation as determined under subdivision (1), not to exceed the individual's weekly benefit amount of unemployment compensation.

(3) Reimburse the department of workforce development **and unemployment insurance** for the administrative costs incurred by the department under IC 22-4-39.

SECTION 72. IC 31-25-4-31, AS AMENDED BY P.L.138-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 31. (a) The bureau shall operate a data match system with each financial institution doing business in Indiana.

(b) Each financial institution doing business in Indiana shall provide information to the bureau on all noncustodial parents who:

(1) hold one (1) or more accounts with the financial institution; and

(2) are delinquent.

(c) In order to provide the information required under subsection (b), a financial institution shall either:

(1) identify noncustodial parents by comparing records maintained by the financial institution with records provided by the bureau by:

(A) name; and

(B) either Social Security number or tax identification number;

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- 1 or
- 2 (2) submit to the bureau a report, in a form satisfactory to the
- 3 bureau, that includes the Social Security number or tax
- 4 identification number of each individual maintaining an account
- 5 at the financial institution. The reports submitted under this
- 6 subdivision must be accessible to:
- 7 (A) the department of state revenue established by
- 8 IC 6-8.1-2-1 or its agents for use only in tax judgment and levy
- 9 administration described in IC 6-8.1-8-8.7(b)(2); or
- 10 (B) the department of workforce development **and**
- 11 **unemployment insurance** established by IC 22-4.1-2-1 or its
- 12 agents for use only in the collection of unpaid final
- 13 assessments described in IC 22-4-29-14(b)(2).
- 14 (d) The information required under subsection (b) must:
- 15 (1) be provided on a quarterly basis; and
- 16 (2) include the:
- 17 (A) name;
- 18 (B) address of record; and
- 19 (C) either the Social Security number or tax identification
- 20 number;
- 21 of an individual identified under subsection (b).
- 22 (e) When the bureau has determined that the information required
- 23 under subsection (d)(2) is identical for an individual who holds an
- 24 account with a financial institution and an individual whose name
- 25 appears on the quarterly list prepared by the bureau under section 30
- 26 of this chapter, the bureau shall provide a notice of the match if action
- 27 is to be initiated to block or encumber the account by establishing a lien
- 28 for child support payment to the:
- 29 (1) individual; and
- 30 (2) financial institution holding the account.
- 31 (f) The notice under ~~section~~ **subsection** (e) must inform the
- 32 individual that:
- 33 (1) the individual's account in a financial institution is subject to
- 34 a child support lien; and
- 35 (2) the individual may file an appeal with the bureau within
- 36 twenty (20) days after the date the notice was issued.
- 37 (g) The bureau shall hold a hearing under 470 IAC 1-4. The
- 38 department's final action following a hearing held under this subsection
- 39 is subject to judicial review as provided in 470 IAC 1-4.
- 40 (h) The state's lien on assets under this section is subordinate to any
- 41 prior lien perfected by:
- 42 (1) a financial institution; or

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(2) another legitimate lien holder.

(i) A lien issued under this section remains in effect until the earliest of:

- (1) one hundred twenty (120) days after issuance;
- (2) the date the asset on which the lien is issued is surrendered; or
- (3) the date the lien is released by an action of the bureau.

(j) This section does not preclude a financial institution from exercising its right to:

- (1) charge back or recoup a deposit to an account; or
- (2) set off from an account held by the financial institution in which the noncustodial parent has an interest in any debts owed to the financial institution that existed before:

(A) the state's lien; and

(B) notification to the financial institution of the child support delinquency.

(k) A financial institution ordered to block or encumber an account under this section is entitled to collect its normally scheduled account activity fees to maintain the account during the period the account is blocked or encumbered.

(l) All information provided by a financial institution under this section is confidential and is available only to the bureau or its agents for use only in child support enforcement activities.

(m) A financial institution providing information required under this section is not liable for:

- (1) disclosing the required information to the bureau, the department of state revenue established by IC 6-8.1-2-1, or the department of workforce development **and unemployment insurance** established by IC 22-4.1-2-1;
- (2) blocking or surrendering any of an individual's assets in response to a lien imposed by:

(A) the bureau under this section; or

(B) a person or entity acting on behalf of the bureau; or

(3) any other action taken in good faith to comply with this section.

(n) The department shall pay a financial institution performing the data match required by this section a reasonable fee for providing the service that does not exceed the actual cost incurred by the financial institution.

(o) This section does not prevent the bureau or its agents from encumbering an obligor's account with a financial institution by any other remedy available for the enforcement of a child support order.

SECTION 73. IC 34-46-2-15 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 15. IC 22-4-19-6
 2 (Concerning department of workforce development **and**
 3 **unemployment insurance** information).

4 SECTION 74. IC 34-52-2-1 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) Subject to any
 6 other statute governing reimbursement of fees and other expenses, this
 7 chapter applies to the reimbursement of the fees and other expenses
 8 incurred in preparing for or prosecuting:

9 (1) a proceeding under IC 4-21.5-5 to judicially review a final
 10 order made by a state agency;

11 (2) an appeal from a final determination made by the worker's
 12 compensation board;

13 (3) an appeal of a final determination made by the department of
 14 state revenue; or

15 (4) an appeal of a final determination made by the department of
 16 workforce development **and unemployment insurance** or the
 17 ~~department of workforce development~~ unemployment insurance
 18 review board **of the department of workforce development and**
 19 **unemployment insurance.**

20 (b) However, this chapter does not apply to an order or other
 21 determination:

22 (1) under:

23 (A) IC 16-27-1;

24 (B) IC 16-28;

25 (C) IC 16-29-1 (**repealed**);

26 (D) IC 16-30;

27 (E) IC 12-28-4; or

28 (F) IC 12-28-5;

29 (2) by an agency described by IC 25-1-8-1; or

30 (3) by the board of podiatric medicine.

31 SECTION 75. IC 36-2-7-9 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9. This chapter does not
 33 require the county sheriff to pay the following into the county general
 34 fund:

35 (1) Any damages set forth in a warrant that is issued by the
 36 department of state revenue and on which collection is made by
 37 the sheriff, including damages prescribed by IC 6-8.1-8.

38 (2) Sums, other than court fees, retained by the circuit court clerk
 39 for the sheriff from the collections obtained by warrants of the
 40 department of workforce development **and unemployment**
 41 **insurance.**

42 (3) Sums allowed by IC 36-8 to sheriffs for the feeding of

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prisoners.

SECTION 76. IC 36-7-13-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) In order to coordinate the efforts of the unit and any private industrial development committee in the community, an advisory commission on industrial development shall be appointed by the unit's executive.

(b) Except as provided in subsection (d), the commission shall be composed of six (6) members, including at least one (1) representative of the unit's government, at least one (1) representative of the local industrial development committee, at least one (1) representative of a local banking institution, at least one (1) representative of a local utility company, and at least one (1) representative of organized labor from the building trades. A member of the commission may represent more than one (1) of the organizations enumerated.

(c) The unit's legislative body shall request the commission's recommendations. The legislative body may not conduct any business requiring expenditures from the industrial development fund or make any sale or lease of property acquired by the unit under this chapter without the approval, in writing, of a majority of the members of the commission.

(d) In addition to the members described in subsection (b), if the executive of a unit has submitted a petition to a commission under section 10 of this chapter or if the legislative body of a county or municipality has adopted an ordinance designating a district under section 10.5 of this chapter, the following persons are members of the commission:

- (1) A member appointed by the governor.
- (2) A member appointed by the lieutenant governor.
- (3) A member appointed by the director of the department of workforce development **and unemployment insurance.**

SECTION 77. IC 36-7-14.5-12.5, AS AMENDED BY P.L.146-2008, SECTION 742, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 12.5. (a) This section applies only to an authority in a county having a United States government military base that is scheduled for closing or is completely or partially inactive or closed.

(b) In order to accomplish the purposes set forth in section 11 of this chapter, an authority may create an economic development area:

- (1) by following the procedures set forth in IC 36-7-14-41 for the establishment of an economic development area by a redevelopment commission; and
- (2) with the same effect as if the economic development area was

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created by a redevelopment commission.

The area established under this section shall be established only in the area where a United States government military base that is scheduled for closing or is completely or partially inactive or closed is or was located.

(c) In order to accomplish the purposes set forth in section 11 of this chapter, an authority may do the following in a manner that serves an economic development area created under this section:

(1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of economic development areas located within the corporate boundaries of the unit.

(2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of economic development areas on the terms and conditions that the authority considers best for the unit and the unit's inhabitants.

(3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.

(4) Clear real property acquired for redevelopment purposes.

(5) Repair and maintain structures acquired for redevelopment purposes.

(6) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired for redevelopment purposes.

(7) Survey or examine any land to determine whether the land should be included within an economic development area to be acquired for redevelopment purposes and to determine the value of that land.

(8) Appear before any other department or agency of the unit, or before any other governmental agency in respect to any matter affecting:

(A) real property acquired or being acquired for redevelopment purposes; or

(B) any economic development area within the jurisdiction of the authority.

(9) Institute or defend in the name of the unit any civil action, but all actions against the authority must be brought in the circuit or superior court of the county where the authority is located.

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(10) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the authority.

(11) Exercise the power of eminent domain in the name of and within the corporate boundaries of the unit subject to the same conditions and procedures that apply to the exercise of the power of eminent domain by a redevelopment commission under IC 36-7-14.

(12) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, and attorneys.

(13) Appoint clerks, guards, laborers, and other employees the authority considers advisable, except that those appointments must be made in accordance with the merit system of the unit if such a system exists.

(14) Prescribe the duties and regulate the compensation of employees of the authority.

(15) Provide a pension and retirement system for employees of the authority by using the public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development.

(16) Discharge and appoint successors to employees of the authority subject to subdivision (13).

(17) Rent offices for use of the department or authority, or accept the use of offices furnished by the unit.

(18) Equip the offices of the authority with the necessary furniture, furnishings, equipment, records, and supplies.

(19) Design, order, contract for, and construct, reconstruct, improve, or renovate the following:

(A) Any local public improvement or structure that is necessary for redevelopment purposes or economic development within the corporate boundaries of the unit.

(B) Any structure that enhances development or economic development.

(20) Contract for the construction, extension, or improvement of pedestrian skyways (as defined in IC 36-7-14-12.2(c)).

(21) Accept loans, grants, and other forms of financial assistance from, or contract with, the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(22) Make and enter into all contracts and agreements necessary or incidental to the performance of the duties of the authority and the execution of the powers of the authority under this chapter.

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(23) Take any action necessary to implement the purpose of the authority.

(24) Provide financial assistance, in the manner that best serves the purposes set forth in section 11 of this chapter, including grants and loans, to enable private enterprise to develop, redevelop, and reuse military base property or otherwise enable private enterprise to provide social and economic benefits to the citizens of the unit.

(d) An authority may designate all or a portion of an economic development area created under this section as an allocation area by following the procedures set forth in IC 36-7-14-39 for the establishment of an allocation area by a redevelopment commission. The allocation provision may modify the definition of "property taxes" under IC 36-7-14-39(a) to include taxes imposed under IC 6-1.1 on the depreciable personal property located and taxable on the site of operations of designated taxpayers in accordance with the procedures applicable to a commission under IC 36-7-14-39.3. IC 36-7-14-39.3 applies to such a modification. An allocation area established by an authority under this section is a special taxing district authorized by the general assembly to enable the unit to provide special benefits to taxpayers in the allocation area by promoting economic development that is of public use and benefit. For allocation areas established for an economic development area created under this section after June 30, 1997, and to the expanded portion of an allocation area for an economic development area that was established before June 30, 1997, and that is expanded under this section after June 30, 1997, the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date, must be allocated. All of the provisions of IC 36-7-14-39 apply to an allocation area created under this section, except that the authority shall be vested with the rights and duties of a commission as referenced in those sections, and except that, notwithstanding IC 36-7-14-39(b)(2), property tax proceeds paid into the allocation fund may be used by the authority only to do one (1) or more of the following:

(1) Pay the principal of and interest and redemption premium on any obligations incurred by the special taxing district or any other entity for the purpose of financing or refinancing military base reuse activities in or serving or benefiting that allocation area.

(2) Establish, augment, or restore the debt service reserve for obligations payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the authority

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(including lease rental revenues).

(3) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

(4) Reimburse any other governmental body for expenditures made by it for local public improvements or structures in or serving or benefiting that allocation area.

(5) For property taxes first due and payable before 2009, pay all or a portion of a property tax replacement credit to taxpayers in an allocation area as determined by the authority. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under IC 36-7-14-39.5 (before its repeal) in the same year.

(6) Pay expenses incurred by the authority for local public improvements or structures that are in the allocation area or serving or benefiting the allocation area.

(7) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(A) in the allocation area; and

(B) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

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1 However, the total amount of money spent for this purpose in any
 2 year may not exceed the total amount of money in the allocation
 3 fund that is attributable to property taxes paid by the industrial
 4 facilities described in clause (B). The reimbursements under this
 5 subdivision must be made within three (3) years after the date on
 6 which the investments that are the basis for the increment
 7 financing are made. The allocation fund may not be used for
 8 operating expenses of the authority.

9 (e) In addition to other methods of raising money for property
 10 acquisition, redevelopment, or economic development activities in or
 11 directly serving or benefitting an economic development area created
 12 by an authority under this section, and in anticipation of the taxes
 13 allocated under subsection (d), other revenues of the authority, or any
 14 combination of these sources, the authority may, by resolution, issue
 15 the bonds of the special taxing district in the name of the unit. Bonds
 16 issued under this section may be issued in any amount without
 17 limitation. The following apply if such a resolution is adopted:

18 (1) The authority shall certify a copy of the resolution authorizing
 19 the bonds to the municipal or county fiscal officer, who shall then
 20 prepare the bonds. The seal of the unit must be impressed on the
 21 bonds, or a facsimile of the seal must be printed on the bonds.

22 (2) The bonds must be executed by the appropriate officer of the
 23 unit and attested by the unit's fiscal officer.

24 (3) The bonds are exempt from taxation for all purposes.

25 (4) Bonds issued under this section may be sold at public sale in
 26 accordance with IC 5-1-11 or at a negotiated sale.

27 (5) The bonds are not a corporate obligation of the unit but are an
 28 indebtedness of the taxing district. The bonds and interest are
 29 payable, as set forth in the bond resolution of the authority:

30 (A) from the tax proceeds allocated under subsection (d);

31 (B) from other revenues available to the authority; or

32 (C) from a combination of the methods stated in clauses (A)
 33 and (B).

34 (6) Proceeds from the sale of bonds may be used to pay the cost
 35 of interest on the bonds for a period not to exceed five (5) years
 36 from the date of issuance.

37 (7) Laws relating to the filing of petitions requesting the issuance
 38 of bonds and the right of taxpayers and voters to remonstrate
 39 against the issuance of bonds do not apply to bonds issued under
 40 this section.

41 (8) If a debt service reserve is created from the proceeds of bonds,
 42 the debt service reserve may be used to pay principal and interest

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on the bonds as provided in the bond resolution.

(9) If bonds are issued under this chapter that are payable solely or in part from revenues to the authority from a project or projects, the authority may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority. The authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the authority that are payable solely from revenues of the authority shall contain a statement to that effect in the form of bond.

(f) Notwithstanding section 8(a) of this chapter, an ordinance adopted under section 11 of this chapter may provide, or be amended to provide, that the board of directors of the authority shall be composed of not fewer than three (3) nor more than eleven (11) members, who must be residents of **or be employed at a place of employment located within** the unit. **The members shall be** appointed by the executive of the unit.

(g) The acquisition of real and personal property by an authority under this section is not subject to the provisions of IC 5-22, IC 36-1-10.5, IC 36-7-14-19, or any other statutes governing the purchase of property by public bodies or their agencies.

(h) An authority may negotiate for the sale, lease, or other disposition of real and personal property without complying with the provisions of IC 5-22-22, IC 36-1-11, IC 36-7-14-22, or any other statute governing the disposition of public property.

(i) Notwithstanding any other law, utility services provided within an economic development area established under this section are subject to regulation by the appropriate regulatory agencies unless the utility service is provided by a utility that provides utility service solely within the geographic boundaries of an existing or a closed military installation, in which case the utility service is not subject to regulation for purposes of rate making, regulation, service delivery, or issuance of bonds or other forms of indebtedness. However, this exemption from regulation does not apply to utility service if the service is generated, treated, or produced outside the boundaries of the existing or closed

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1 military installation.

2 SECTION 78. IC 36-7.6-1-7, AS ADDED BY P.L.232-2007,
3 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2009]: Sec. 7. "Economic growth region" refers to an
5 economic growth region designated by the department of workforce
6 development **and unemployment insurance**.

7 SECTION 79. [EFFECTIVE JULY 1, 2009] (a) **The department**
8 **of workforce development and unemployment insurance shall**
9 **amend references to the department of workforce development in**
10 **the Indiana Administrative Code to reflect the change of the**
11 **department's name by this act to the department of workforce**
12 **development and unemployment insurance.**

13 (b) **This SECTION expires July 1, 2011.**

14 SECTION 80. [EFFECTIVE JULY 1, 2009] (a) **As used in this**
15 **SECTION, "committee" refers to the unemployment insurance**
16 **oversight advisory committee established by IC 2-5-30-3, as added**
17 **by this act.**

18 (b) **As used in this SECTION, "department" refers to the**
19 **department of workforce development established by**
20 **IC 22-4.1-2-1.**

21 (c) **As used in this SECTION, "fund" refers to the**
22 **unemployment insurance benefit fund established under**
23 **IC 22-4-26.**

24 (d) **The commissioner of the department shall, not later than**
25 **sixty (60) days after the effective date of any economic stimulus**
26 **package law enacted by the Congress of the United States:**

27 (1) **initiate changes to eligibility and other requirements of the**
28 **state's existing unemployment insurance system in order for**
29 **the state to qualify for the maximum amount available under**
30 **the federal economic stimulus package law, unless the cost of**
31 **implementing the changes, including the negative fiscal**
32 **impact on the fund, exceeds the maximum amount available**
33 **to the state under the federal economic stimulus package as**
34 **the result of the state making the changes; and**

35 (2) **submit in an electronic format under IC 5-14-6 to the**
36 **legislative council, the committee, the speaker of the house of**
37 **representatives, and the president pro tempore of the senate**
38 **a report that provides the following:**

39 (A) **Details of the commissioner's actions taken, or the**
40 **commissioner's decision not to initiate changes, under**
41 **subdivision (1).**

42 (B) **Recommendations for any legislation necessary to**

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- 1 **modify the state's unemployment insurance system in**
2 **order for the state to qualify for amounts available under**
3 **the federal economic stimulus package law.**
4 **(C) An analysis of the fiscal impact to the fund of:**
5 **(i) the commissioner's actions taken, or the**
6 **commissioner's decision not to initiate changes, under**
7 **subdivision (1); and**
8 **(ii) the legislation recommended under clause (B), if the**
9 **legislation is enacted.**
10 **(e) This SECTION expires July 1, 2011.**

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COMMITTEE REPORT

Madam President: The Senate Committee on Pensions and Labor, to which was referred Senate Bill No. 84, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- Page 1, line 11, reset in roman "workforce development".
- Page 1, line 11, delete "." and insert **"and"**.
- Page 3, line 33, reset in roman "workforce".
- Page 3, line 34, reset in roman "development".
- Page 3, line 34, after "development" insert **"and"**.
- Page 4, line 30, reset in roman "workforce development".
- Page 4, line 30, delete "." and insert **"and"**.
- Page 4, line 34, reset in roman "workforce".
- Page 4, line 35, reset in roman "development".
- Page 4, line 35, after "development" delete "." and insert **"and"**.
- Page 5, line 15, reset in roman "workforce".
- Page 5, line 16, reset in roman "development".
- Page 5, line 16, after "development" insert **"and"**.
- Page 8, line 1, reset in roman "workforce".
- Page 8, line 2, reset in roman "development".
- Page 8, line 2, after "development" insert **"and"**.
- Page 8, line 37, reset in roman "workforce development".
- Page 8, line 37, after "development" delete "," and insert **"and"**.
- Page 9, line 14, reset in roman "workforce development".
- Page 9, line 14, delete "." and insert **"and"**.
- Page 9, line 29, reset in roman "workforce development".
- Page 9, line 29, delete "." and insert **"and"**.
- Page 9, line 32, reset in roman "workforce development".
- Page 9, line 32, after "development" delete "." and insert **"and"**.
- Page 10, line 40, reset in roman "workforce development".
- Page 10, line 40, after "development" insert **"and"**.
- Page 11, line 23, reset in roman "workforce development".
- Page 11, line 23, delete "." and insert **"and"**.
- Page 11, line 27, reset in roman "workforce development".
- Page 11, line 27, delete "." and insert **"and"**.
- Page 11, line 33, reset in roman "workforce development".
- Page 11, line 33, after "development" insert **"and"**.
- Page 12, line 30, after "of" insert **"the department of"**.
- Page 12, line 30, reset in roman "workforce development".
- Page 12, line 30, after "development" delete "the" and insert **"and"**.
- Page 12, line 31, delete "department of".

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Page 12, line 33, reset in roman "workforce development,".
 Page 12, line 33, delete "," and insert "**and**".
 Page 13, line 8, reset in roman "workforce development".
 Page 13, line 8, after "development" insert "**and**".
 Page 13, line 11, reset in roman "workforce development".
 Page 13, line 11, delete "." and insert "**and**".
 Page 13, line 16, reset in roman "workforce development".
 Page 13, line 16, after "development" delete "." and insert "**and**".
 Page 13, line 19, reset in roman "workforce development".
 Page 13, line 19, after "development" insert "**and**".
 Page 14, line 40, reset in roman "workforce".
 Page 14, line 41, reset in roman "development".
 Page 14, line 41, after "development" insert "**and**".
 Page 15, line 30, reset in roman "workforce development,".
 Page 15, line 30, delete "," and insert "**and**".
 Page 16, line 32, reset in roman "workforce development".
 Page 16, line 32, after "development" insert "**and**".
 Page 17, line 4, reset in roman "workforce development".
 Page 17, line 4, after "development" insert "**and**".
 Page 17, line 9, reset in roman "workforce development".
 Page 17, line 9, delete "." and insert "**and**".
 Page 17, line 12, reset in roman "workforce development".
 Page 17, line 12, after "development" insert "**and**".
 Page 17, line 13, reset in roman "workforce development".
 Page 17, line 13, after "development" insert "**and**".
 Page 17, line 30, reset in roman "workforce development".
 Page 17, line 30, after "development" delete "." and insert "**and**".
 Page 17, line 36, reset in roman "workforce development,".
 Page 17, line 36, after "development" delete "," and insert "**and**".
 Page 18, line 8, reset in roman "workforce development,".
 Page 18, line 8, delete "," and insert "**and**".
 Page 18, line 15, reset in roman "workforce development".
 Page 18, line 15, after "development" insert "**and**".
 Page 18, line 24, reset in roman "workforce".
 Page 18, line 25, reset in roman "development,".
 Page 18, line 25, after "development" delete "," and insert "**and**".
 Page 18, line 40, reset in roman "workforce".
 Page 18, line 41, reset in roman "development".
 Page 18, line 41, after "development" insert "**and**".
 Page 19, line 29, reset in roman "workforce".
 Page 19, line 30, reset in roman "development".
 Page 19, line 30, after "development" insert "**and**".

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Page 20, line 5, after "commissioner of" insert **"the department of"**.
 Page 20, line 5, reset in roman "workforce development,".
 Page 20, line 5, delete ", the department of" and insert **"and"**.
 Page 20, line 10, after "of" insert **"the department of"**.
 Page 20, line 10, reset in roman "workforce development,".
 Page 20, line 10, delete ", the" and insert **"and"**.
 Page 20, line 11, delete "department of".
 Page 20, line 14, after "of" insert **"the department of"**.
 Page 20, line 14, reset in roman "workforce development".
 Page 20, line 14, after "development" delete "the" and insert **"and"**.
 Page 20, line 15, delete "department of".
 Page 20, line 29, after "commissioner of" insert **"the department of"**.
 Page 20, line 29, reset in roman "workforce development;".
 Page 20, line 29, delete "; the department of" and insert **"and"**.
 Page 21, line 15, reset in roman "workforce development".
 Page 21, line 15, delete "." and insert **"and"**.
 Page 21, line 21, reset in roman "workforce development".
 Page 21, line 21, after "development" insert **"and"**.
 Page 22, line 8, reset in roman "workforce development".
 Page 22, line 8, after "development" insert **"and"**.
 Page 23, line 6, reset in roman "workforce development,".
 Page 23, line 6, delete "," and insert **"and"**.
 Page 23, line 12, reset in roman "workforce development,".
 Page 23, line 12, after "development" delete "," and insert **"and"**.
 Page 23, line 18, reset in roman "workforce development,".
 Page 23, line 18, after "development" delete "," and insert **"and"**.
 Page 23, line 21, reset in roman "workforce development,".
 Page 23, line 21, delete "," and insert **"and"**.
 Page 23, line 24, reset in roman "workforce".
 Page 23, line 25, reset in roman "development".
 Page 23, line 25, after "development" insert **"and"**.
 Page 23, line 32, reset in roman "workforce development".
 Page 23, line 32, after "development" insert **"and"**.
 Page 23, line 33, reset in roman "workforce development's".
 Page 23, line 33, after "development's" insert **"and"**.
 Page 23, line 37, reset in roman "workforce development".
 Page 23, line 37, after "development" insert **"and"**.
 Page 24, line 3, reset in roman "workforce development,".
 Page 24, line 3, delete "," and insert **"and"**.
 Page 24, line 7, reset in roman "workforce development".
 Page 24, line 7, after "development" delete "." and insert **"and"**.

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Page 25, line 28, reset in roman "workforce development."
 Page 25, line 28, delete "." and insert "**and**".
 Page 25, line 40, reset in roman "workforce development."
 Page 25, line 40, delete "." and insert "**and**".
 Page 26, line 9, reset in roman "workforce development".
 Page 26, line 9, after "development" insert "**and**".
 Page 26, line 31, reset in roman "workforce development".
 Page 26, line 31, after "development" insert "**and**".
 Page 26, line 39, reset in roman "workforce development".
 Page 26, line 39, after "development" insert "**and**".
 Page 27, line 3, reset in roman "workforce development".
 Page 27, line 3, after "development" insert "**and**".
 Page 27, line 17, reset in roman "workforce".
 Page 27, line 18, reset in roman "development".
 Page 27, line 18, after "development" insert "**and**".
 Page 27, line 27, reset in roman "workforce development".
 Page 27, line 27, after "development" insert "**and**".
 Page 27, line 31, reset in roman "workforce development".
 Page 27, line 31, after "development" insert "**and**".
 Page 27, line 38, reset in roman "workforce development".
 Page 27, line 38, after "development" insert "**and**".
 Page 27, line 42, reset in roman "workforce development".
 Page 27, line 42, after "development" insert "**and**".
 Page 28, line 6, reset in roman "workforce development".
 Page 28, line 6, after "development" insert "**and**".
 Page 28, line 16, reset in roman "workforce development;".
 Page 28, line 16, delete ";" and insert "**and**".
 Page 28, line 42, reset in roman "workforce".
 Page 29, line 1, reset in roman "development;".
 Page 29, line 1, after "development" delete ";" and insert "**and**".
 Page 29, line 7, after "of" insert "**the department of**".
 Page 29, line 7, reset in roman "workforce development".
 Page 29, line 7, delete ". the department" and insert "**and**".
 Page 29, line 8, delete "of".
 Page 29, line 11, reset in roman "workforce development".
 Page 29, line 11, delete "." and insert "**and**".
 Page 29, line 19, reset in roman "workforce development".
 Page 29, line 19, after "development" insert "**and**".
 Page 29, line 20, reset in roman "workforce".
 Page 29, line 21, reset in roman "development".
 Page 29, line 21, after "development" insert "**and**".
 Page 30, line 2, reset in roman "workforce development".

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Page 30, line 2, after "development" insert "**and**".

Page 30, line 23, reset in roman "workforce development".

Page 30, line 23, after "development" delete "." and insert "**and**".

Page 31, line 24, reset in roman "workforce development".

Page 31, line 24, after "development" insert "**and**".

Page 31, line 29, reset in roman "workforce development".

Page 31, line 29, after "development" insert "**and**".

Page 33, line 30, reset in roman "workforce development".

Page 33, line 30, delete "." and insert "**and**".

Page 33, line 40, reset in roman "workforce development".

Page 33, line 40, after "development" insert "**and**".

Page 34, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 46. IC 22-4-17-2, AS AMENDED BY P.L.108-2006, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) When an individual files an initial claim, the department shall promptly make a determination of the individual's status as an insured worker in a form prescribed by the department. A written notice of the determination of insured status shall be furnished to the individual promptly. Each such determination shall be based on and include a written statement showing the amount of wages paid to the individual for insured work by each employer during the individual's base period and shall include a finding as to whether such wages meet the requirements for the individual to be an insured worker, and, if so, the week ending date of the first week of the individual's benefit period, the individual's weekly benefit amount, and the maximum amount of benefits that may be paid to the individual for weeks of unemployment in the individual's benefit period. For the individual who is not insured, the notice shall include the reason for the determination. Unless the individual, within ten (10) days after such determination was mailed to the individual's last known address, or otherwise delivered to the individual, asks a hearing thereon before an administrative law judge, such determination shall be final and benefits shall be paid or denied in accordance therewith.

(b) The department shall promptly furnish each employer in the base period whose experience or reimbursable account is potentially chargeable with benefits to be paid to such individual with **a actual** notice in writing of the employer's benefit liability. ~~Such~~ **The** notice shall contain the date, the name and Social Security account number of the individual, the ending date of the individual's base period, ~~and~~ the week ending date of the first week of the individual's benefit period, ~~Such~~ **the time by which the employer is required to respond to the notice, and complete information about the rules of evidence and**

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standards of proof that the department will apply to determine the validity of a claim, if an employer disputes the claim. The notice shall further contain information as to the proportion of benefits chargeable to the employer's experience or reimbursable account in ratio to the earnings of such individual from such employer. Unless the employer, within ten (10) days after ~~such the employer receives actual~~ notice of benefit liability, ~~was mailed to the employer's last known address, or otherwise delivered to the employer,~~ asks a hearing thereon before an administrative law judge, such determination shall be final and benefits paid shall be charged in accordance therewith.

(c) An employing unit, including an employer, having knowledge of any facts which may affect an individual's eligibility or right to waiting period credits or benefits, shall notify the department of such facts within ten (10) days after the ~~mailing of~~ **employing unit receives actual** notice that a former employee has filed an initial or additional claim for benefits on a form prescribed by the department.

(d) In addition to the foregoing determination of insured status by the department, the deputy shall, throughout the benefit period, determine the claimant's eligibility with respect to each week for which the claimant claims waiting period credit or benefit rights, the validity of the claimant's claim therefor, and the cause for which the claimant left the claimant's work, or may refer such claim to an administrative law judge who shall make the initial determination with respect thereto in accordance with the procedure in IC 22-4-17-3. **Before a determination is made under this subsection, each employer in the base period whose experience or reimbursable account is potentially chargeable with benefits to be paid to the claimant must receive actual notice of the employer's potential benefit liability, the time by which the employer is required to respond to the notice, and complete information about the rules of evidence and standards of proof that the deputy will apply to determine the validity of the claim.**

(e) In cases where the claimant's benefit eligibility or disqualification is disputed, the department shall promptly notify the claimant and the employer or employers directly involved or connected with the issue raised as to the validity of such claim, the eligibility of the claimant for waiting period credit or benefits, or the imposition of a disqualification period or penalty, or the denial thereof, and of the cause for which the claimant left the claimant's work, of such determination and the reasons thereof.

(f) Except as otherwise hereinafter provided in this ~~subsection~~ **section** regarding parties located in Alaska, Hawaii, and Puerto Rico,

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unless:

- (1) the claimant, ~~or such employer, within not later than~~ ten (10) days after ~~such the~~ notification **required by subsection (e)** was mailed to the claimant's ~~or the employer's~~ last known address;
- (2) **the employer, not later than ten (10) days after the employer actually receives the notification required by subsection (e);** or
- (3) **the claimant or the employer, not later than ten (10) days after the notification required by subsection (e)** is otherwise **actually** delivered to the claimant or the employer;

asks ~~for~~ a hearing before an administrative law judge thereon, such decision shall be final and benefits shall be paid or denied in accordance therewith.

(g) With respect to notice of disputed administrative determination or decision mailed or otherwise delivered to the claimant or employer either of whom is located in Alaska, Hawaii, or Puerto Rico, unless: ~~such~~

- (1) ~~the claimant, or employer, within not later than~~ fifteen (15) days after ~~such the~~ notification **required by subsection (e)** was mailed to the claimant's ~~or employer's~~ last known address;
- (2) **the employer, not later than fifteen (15) days after the employer actually receives the notification required by subsection (e);** or
- (3) **the claimant or the employer, not later than fifteen (15) days after the notification required by subsection (e)** is otherwise **actually** delivered to the claimant or employer;

asks ~~for~~ a hearing before an administrative law judge thereon, such decision shall be final and benefits shall be paid or denied in accordance therewith.

(h) If ~~such a claimant or employer desires a hearing is desired;~~ **under subsection (f) or (g),** the request therefor shall be filed with the department in writing within the prescribed periods as above set forth in this ~~subsection~~ **section** and shall be in such form as the department may prescribe. In the event a hearing is requested by an employer or the department after it has been administratively determined that benefits should be allowed to a claimant, entitled benefits shall continue to be paid to said claimant unless said administrative determination has been reversed by a due process hearing. Benefits with respect to any week not in dispute shall be paid promptly regardless of any appeal.

(~~f~~) (i) A person may not participate on behalf of the department in any case in which the person is an interested party.

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~~(g)~~ **(j)** Solely on the ground of obvious administrative error appearing on the face of an original determination, and within the benefit year of the affected claims, the commissioner, or a representative authorized by the commissioner to act in the commissioner's behalf, may reconsider and direct the deputy to revise the original determination so as to correct the obvious error appearing therein. Time for filing an appeal and requesting a hearing before an administrative law judge regarding the determinations handed down pursuant to this subsection shall begin on the date following the date of revision of the original determination and shall be filed with the commissioner in writing within the prescribed periods as above set forth in subsection (c).

~~(h)~~ **(k)** Notice to the employer and the claimant that the determination of the department is final if a hearing is not requested shall be prominently displayed on the notice of the determination which is sent to the employer and the claimant.

~~(i)~~ **(l)** If an allegation of the applicability of IC 22-4-15-1(c)(8) is made by the individual at the time of the claim for benefits, the department shall not notify the employer of the claimant's current address or physical location.

SECTION 47. IC 22-4-17-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. **(a)** Unless such request for hearing is withdrawn, an administrative law judge, after **providing the notice required under section 6 of this chapter and** affording the parties a reasonable opportunity for fair hearing, shall affirm, modify, or reverse the findings of fact and decision of the deputy.

(b) The parties shall be duly notified of ~~such~~ **the decision made under subsection (a)** and the reasons therefor, which shall be deemed to be the final decision of the review board, unless, **subject to subsection (c)**, within fifteen (15) days after the date of notification or mailing of such decision, an appeal is taken by the commissioner or by any party adversely affected by such decision to the review board.

(c) Notwithstanding subsection (b), whenever an employer is a party adversely affected by a decision made under subsection (a), the employer has fifteen (15) days after the date the employer receives actual notice of the decision to take an appeal to the review board.

SECTION 48. IC 22-4-17-4, AS AMENDED BY P.L.108-2006, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. **(a)** The department shall employ one (1) or more administrative law judges to hear and decide disputed claims.

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Administrative law judges employed under this section are not subject to IC 4-21.5 or any other statute regulating administrative law judges, unless specifically provided.

(b) The department shall at least annually provide to all administrative law judges, review board members, and other individuals who adjudicate claims training concerning:

- (1) unemployment compensation law;**
- (2) rules for the conduct of hearings and appeals; and**
- (3) rules of conduct for administrative law judges, review board members, and other individuals who adjudicate claims during a hearing or other adjudicative process.**

(c) The department regularly shall monitor the hearings and decisions of its administrative law judges, review board members, and other individuals who adjudicate claims to ensure that the hearings and decisions strictly comply with the law and the rules described in subsection (b).

(d) An individual who does not strictly comply with the law and the rules described in subsection (b), including the rules of conduct for administrative law judges, review board members, and other individuals who adjudicate claims during a hearing or other adjudicative process, is subject to disciplinary action by the department, up to and including suspension from or termination of employment.

SECTION 49. IC 22-4-17-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) The governor shall appoint a review board composed of three (3) members, not more than two (2) of whom shall be members of the same political party, with salaries to be fixed by the governor. The review board shall consist of the chairman and the two (2) members who shall serve for terms of three (3) years. At least one (1) member must be admitted to the practice of law in Indiana.

(b) Any claim pending before an administrative law judge, and all proceedings therein, may be transferred to and determined by the review board upon its own motion, at any time before the administrative law judge announces his decision. Any claim pending before either an administrative law judge or the review board may be transferred to the board for determination at the direction of the board. If the review board considers it advisable to procure additional evidence, it may direct the taking of additional evidence within a time period it shall fix. **An employer that is a party to a claim transferred to the review board or the board under this subsection is entitled to receive notice in accordance with section 6 of this chapter of the**

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transfer or any other action to be taken under this section before the determination or other action concerning the claim is taken.

(c) Any proceeding so removed to the review board shall be heard by a quorum of the review board in accordance with the requirements of section 3 of this chapter. The review board shall notify the parties to any claim of its decision, together with its reasons for the decision.

(d) Members of the review board, when acting as administrative law judges, are subject to section 15 of this chapter.

(e) The review board may on the board's own motion affirm, modify, set aside, remand, or reverse the findings, conclusions, or orders of an administrative law judge on the basis of any of the following:

- (1) Evidence previously submitted to the administrative law judge.
- (2) The record of the proceeding after the taking of additional evidence as directed by the review board.
- (3) A procedural error by the administrative law judge.

SECTION 50. IC 22-4-17-6, AS AMENDED BY P.L.108-2006, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. **(a)** The manner in which disputed claims shall be presented and the conduct of hearings and appeals, **including the conduct of administrative law judges, review board members, and other individuals who adjudicate claims during a hearing or other adjudicative process,** shall be in accordance with rules adopted by the department for determining the rights of the parties, whether or not the rules conform to common law or statutory rules of evidence and other technical rules of procedure.

(b) A full and complete record shall be kept of all proceedings in connection with a disputed claim. The testimony at any hearing upon a disputed claim need not be transcribed unless the disputed claim is further appealed.

(c) Each party to a hearing before an administrative law judge held under section 3 of this chapter shall be mailed a notice of the hearing at least ten (10) days before the date of the hearing specifying the **date, place, and time of the hearing, and identifying the issues to be decided, and providing complete information about the rules of evidence and standards of proof that the administrative law judge will use to determine the validity of the claim. An employer must receive actual notice of a hearing before the hearing may be held.**

(d) If a hearing so scheduled has not commenced within at least sixty (60) minutes of the time for which it was scheduled, then a party involved in the hearing may request a continuance of the hearing. Upon submission of a request for continuance of a hearing under

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circumstances provided in this section, **including an employer's failure to receive actual notice of a hearing as required under subsection (c)**, the continuance shall be granted unless the party requesting the continuance was responsible for the delay in the commencement of the hearing as originally scheduled. In the latter instance, the continuance shall be discretionary with the administrative law judge. Testimony or other evidence introduced by a party at a hearing before an administrative law judge or the review board that another party to the hearing:

- (1) is not prepared to meet; and
- (2) by ordinary prudence could not be expected to have anticipated;

shall be good cause for continuance of the hearing and upon motion such continuance shall be granted.

SECTION 51. IC 22-4-17-14, AS AMENDED BY P.L.108-2006, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 14. **(a) This section does not apply to a notice given to an employer if the employer is required under this chapter to receive actual notice.**

~~(a)~~ **(b)** Except as otherwise provided by this chapter, this section applies to notices given under sections 2, 3, 11, and 12 of this chapter. This section does not apply to rules adopted by the board or the department, unless specifically provided.

~~(b)~~ **(c)** As used in this section, "notices" includes mailings of notices, determinations, decisions, orders, motions, or the filing of any document with the appellate division or review board.

~~(c)~~ **(d)** If a notice is served through the United States mail, three (3) days must be added to a period that commences upon service of that notice.

~~(d)~~ **(e)** The filing of a document with the appellate division or review board is complete on the earliest of the following dates that apply to the filing:

- (1) The date on which the document is delivered to the appellate division or review board.
- (2) The date of the postmark on the envelope containing the document if the document is mailed to the appellate division or review board by the United States Postal Service.
- (3) The date on which the document is deposited with a private carrier, as shown by a receipt issued by the carrier, if the document is sent to the appellate division or review board by a private carrier."

Page 34, line 6, reset in roman "workforce development."

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Page 34, line 6, after "development" delete "." and insert "**and**".
 Page 34, line 7, reset in roman "workforce development".
 Page 34, line 7, after "development" insert "**and**".
 Page 35, line 8, reset in roman "workforce development".
 Page 35, line 8, after "development" insert "**and**".
 Page 35, line 12, reset in roman "workforce development".
 Page 35, line 12, after "development" insert "**and**".
 Page 35, line 15, reset in roman "workforce development".
 Page 35, line 15, after "development" insert "**and**".
 Page 35, line 22, reset in roman "workforce development".
 Page 35, line 22, after "development" insert "**and**".
 Page 35, line 34, reset in roman "workforce development".
 Page 35, line 34, after "development" insert "**and**".
 Page 36, line 21, reset in roman "workforce development".
 Page 36, line 21, after "development" insert "**and**".
 Page 37, line 10, reset in roman "workforce".
 Page 37, line 11, reset in roman "development".
 Page 37, line 11, after "development" insert "**and**".
 Page 37, line 38, reset in roman "workforce development,".
 Page 37, line 38, after "development" delete "," and insert "**and**".
 Page 38, line 7, reset in roman "workforce development".
 Page 38, line 7, after "development" insert "**and**".
 Page 39, line 31, reset in roman "workforce".
 Page 39, line 32, reset in roman "development,".
 Page 39, line 32, after "development" delete "." and insert "**and**".
 Page 40, line 2, reset in roman "workforce development,".
 Page 40, line 2, delete "." and insert "**and**".
 Page 40, line 6, reset in roman "workforce development,".
 Page 40, line 6, after "development" delete "." and insert "**and**".
 Page 40, line 8, reset in roman "workforce development".
 Page 40, line 8, after "development" insert "**and**".
 Page 41, line 4, reset in roman "workforce development".
 Page 41, line 4, after "development" insert "**and**".
 Page 41, line 8, reset in roman "workforce development".
 Page 41, line 8, after "development" insert "**and**".
 Page 41, line 12, reset in roman "workforce development".
 Page 41, line 12, after "development" insert "**and**".
 Page 41, line 22, after "of" insert "**workforce development and**".
 Page 41, line 26, reset in roman "workforce development".
 Page 41, line 26, after "development" insert "**and**".
 Page 41, line 42, reset in roman "workforce development".
 Page 41, line 42, after "development" insert "**and**".

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Page 42, line 4, reset in roman "workforce development,".
 Page 42, line 4, after "development" delete "," and insert "**and**".
 Page 42, line 5, reset in roman "workforce".
 Page 42, line 6, reset in roman "development".
 Page 42, line 6, after "development" insert "**and**".
 Page 42, line 19, reset in roman "workforce development".
 Page 42, line 19, after "development" insert "**and**".
 Page 42, line 39, reset in roman "workforce".
 Page 42, line 40, reset in roman "development".
 Page 42, line 40, after "development" delete "." and insert "**and**".
 Page 42, line 41, reset in roman "workforce development".
 Page 42, line 41, after "development" insert "**and**".
 Page 43, line 4, reset in roman "workforce development".
 Page 43, line 4, after "development" insert "**and**".
 Page 43, line 32, reset in roman "workforce development".
 Page 43, line 32, after "development" insert "**and**".
 Page 45, line 7, reset in roman "workforce development".
 Page 45, line 7, after "development" insert "**and**".
 Page 45, line 24, reset in roman "workforce development".
 Page 45, line 24, after "development" insert "**and**".
 Page 45, line 38, reset in roman "workforce development".
 Page 45, line 38, after "development" insert "**and**".
 Page 45, line 40, after "department of" insert "**workforce development and**".
 Page 46, line 19, reset in roman "workforce development".
 Page 46, line 19, delete "." and insert "**and**".
 Page 47, line 9, reset in roman "workforce development".
 Page 47, line 9, after "development" delete "." and insert "**and**".
 Page 47, line 13, reset in roman "workforce".
 Page 47, line 14, reset in roman "development".
 Page 47, line 14, after "development" delete "." and insert "**and**".
 Page 47, line 16, after "of" insert "**workforce development and**".
 Page 47, line 19, after "of" insert "**workforce development and**".
 Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 84 as introduced.)

KRUSE, Chairperson

Committee Vote: Yeas 11, Nays 0.

ES 84—LS 6308/DI 44+



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COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred Senate Bill 84, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety and to make an appropriation.

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 2-5-30 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Chapter 30. Unemployment Insurance Oversight Advisory Committee

Sec. 1. As used in this chapter, "committee" refers to the unemployment insurance oversight advisory committee established by section 3 of this chapter.

Sec. 2. As used in this chapter, "fund" refers to the unemployment insurance benefit fund established by IC 22-4-26-1.

Sec. 3. The unemployment insurance oversight advisory committee is established.

Sec. 4. (a) The committee shall do all of the following:

- (1) Monitor the solvency of the fund.**
- (2) Make recommendations of improvements to increase the solvency of the fund.**
- (3) Make a report annually to the legislative council concerning the solvency of the fund. The report must be in an electronic format under IC 5-14-6.**
- (4) Study and make recommendations concerning approaches taken by other states to improve the solvency of unemployment insurance benefit trust funds, including the indexing of:**
 - (A) unemployment benefits; and**
 - (B) the taxable wage base.**

(b) A committee recommendation does not take effect unless enacted by the general assembly.

Sec. 5. (a) The committee consists of the following members:

- (1) Two (2) members of the house of representatives appointed by the speaker of the house of representatives. The members appointed under this subdivision may be members of the same political party.**

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(2) One (1) member of the house of representatives appointed by the minority leader of the house of representatives.

(3) Two (2) members appointed by the speaker of the house of representatives as follows:

(A) One (1) member who is a member of the Indiana State AFL-CIO.

(B) One (1) member who is a member of a labor organization not affiliated with the Indiana State AFL-CIO.

(4) Two (2) members of the senate appointed by the president pro tempore of the senate. The members appointed under this subdivision may be members of the same political party.

(5) One (1) member of the senate appointed by the minority leader of the senate.

(6) Two (2) members appointed by the president pro tempore of the senate as follows:

(A) One (1) member representing large employers in the state.

(B) One (1) member representing small employers in the state.

(7) The commissioner, or the commissioner's designee, who serves as an ex-officio nonvoting member.

(b) If a vacancy on the committee occurs, the person who appointed the member whose position is vacant shall appoint an individual to fill the vacancy using the criteria in subsection (a).

(c) The speaker of the house of representatives shall appoint one (1) of the members appointed by the speaker as a cochair of the committee. The president pro tempore of the senate shall appoint one (1) of the members appointed by the president as a cochair of the committee.

Sec. 6. (a) The legislative services agency shall provide administrative support for the committee. At the request of the legislative services agency, the department of workforce development established by IC 22-4.1-2-1 shall assign staff to provide research and other support to assist the legislative services agency in providing administrative support to the committee.

(b) There is annually appropriated to the legislative services agency from the state general fund money necessary for the operation of the committee.

Sec. 7. Six (6) committee members constitute a quorum. The affirmative votes of at least six (6) committee members are necessary for the committee to take official action.

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Sec. 8. The committee shall meet at the call of both cochairmen and at other times as the committee considers necessary.

Sec. 9. (a) Each member of the committee who is not a state employee or is not a member of the general assembly is entitled to the following:

- (1) The salary per diem provided under IC 4-10-11-2.1(b).**
- (2) Reimbursement for traveling expenses as provided under IC 4-13-1-4.**
- (3) Other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.**

(b) Each member of the committee who is a state employee but not a member of the general assembly is entitled to the following:

- (1) Reimbursement for traveling expenses as provided under IC 4-13-1-4.**
- (2) Other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.**

(c) Each member of the committee who is a member of the general assembly is entitled to the same:

- (1) per diem;**
- (2) mileage; and**
- (3) travel allowances;**

paid to legislative members of interim study committees established by the legislative council."

Page 45, between lines 1 and 2, begin a new paragraph and insert:
 "SECTION 56. IC 22-4-25-1, AS AMENDED BY P.L.138-2008, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) There is created in the state treasury a special fund to be known as the special employment and training services fund. All interest on delinquent contributions and penalties collected under this article, together with any voluntary contributions tendered as a contribution to this fund, shall be paid into this fund. The money shall not be expended or available for expenditure in any manner which would permit their substitution for (or a corresponding reduction in) federal funds which would in the absence of said money be available to finance expenditures for the administration of this article, but nothing in this section shall prevent said money from being used as a revolving fund to cover expenditures necessary and proper under the law for which federal funds have been duly requested but not

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yet received, subject to the charging of such expenditures against such funds when received. The money in this fund shall be used by the board for the payment of refunds of interest on delinquent contributions and penalties so collected, for the payment of costs of administration which are found not to have been properly and validly chargeable against federal grants or other funds received for or in the employment and training services administration fund, on and after July 1, 1945. Such money shall be available either to satisfy the obligations incurred by the board directly, or by transfer by the board of the required amount from the special employment and training services fund to the employment and training services administration fund. The board shall order the transfer of such funds or the payment of any such obligation or expenditure and such funds shall be paid by the treasurer of state on requisition drawn by the board directing the auditor of state to issue the auditor's warrant therefor. Any such warrant shall be drawn by the state auditor based upon vouchers certified by the board or the commissioner. The money in this fund is hereby specifically made available to replace within a reasonable time any money received by this state pursuant to 42 U.S.C. 502, as amended, which, because of any action or contingency, has been lost or has been expended for purposes other than or in amounts in excess of those approved by the bureau of employment security. The money in this fund shall be continuously available to the board for expenditures in accordance with the provisions of this section and shall not lapse at any time or be transferred to any other fund, except as provided in this article. Nothing in this section shall be construed to limit, alter, or amend the liability of the state assumed and created by IC 22-4-28, or to change the procedure prescribed in IC 22-4-28 for the satisfaction of such liability, except to the extent that such liability may be satisfied by and out of the funds of such special employment and training services fund created by this section.

(b) Whenever the balance in the special employment and training services fund is ~~deemed excessive by the board;~~ **exceeds eight million five hundred thousand dollars (\$8,500,000)**, the board shall order payment **of the amount that exceeds eight million five hundred thousand dollars (\$8,500,000)** into the unemployment insurance benefit fund. ~~of the amount of the special employment and training services fund deemed to be excessive.~~

(c) Subject to the approval of the board and the availability of funds, on July 1, 2008, and each subsequent July 1, the commissioner shall release:

(1) one million dollars (\$1,000,000) to the state educational

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institution established under IC 21-25-2-1 for training provided to participants in apprenticeship programs approved by the United States Department of Labor, Bureau of Apprenticeship and Training;

(2) four million dollars (\$4,000,000) to the state educational institution instituted and incorporated under IC 21-22-2-1 for training provided to participants in joint labor and management apprenticeship programs approved by the United States Department of Labor, Bureau of Apprenticeship and Training; ~~and~~

(3) two hundred fifty thousand dollars (\$250,000) for journeyman upgrade training to each of the state educational institutions described in subdivisions (1) and (2); **and**

(4) four hundred fifty thousand dollars (\$450,000) annually for training and counseling assistance provided by Hometown Plans under 41 CFR 60-4.5 for individuals who have been unemployed for at least four (4) weeks or whose annual income is less than twenty thousand dollars (\$20,000). The training and counseling assistance programs funded by this subsection must be approved by the United States Department of Labor's Bureau of Apprenticeship Training.

Each state educational institution described in this subsection is entitled to keep ten percent (10%) of the funds released under this subsection for the payment of costs of administering the funds. On each June 30 following the release of the funds, any funds released under this subsection not used by the state educational institutions under this subsection shall be returned to the special employment and training services fund."

Page 47, between lines 32 and 33, begin a new paragraph and insert:
"SECTION 58. IC 22-4-43 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

Chapter 43. Hoosier Workers First Training Program

Sec. 1. As used in this chapter, "fund" refers to the Hoosier workers first training fund established by section 5 of this chapter.

Sec. 2. The Hoosier workers first training program is established for the following purposes:

- (1) To improve manufacturing productivity levels in Indiana.**
- (2) To enable firms to become competitive by making workers more productive through training.**
- (3) To create a competitive economy by creating and retaining jobs.**



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(4) To encourage the increased training necessary because of an aging workforce.

(5) To avoid potential payment of unemployment compensation by providing workers with enhanced job skills.

Sec. 3. The department shall administer the Hoosier workers first training program.

Sec. 4. For each state fiscal year, the department shall prepare an annual report on the use of the fund as a part of the report required by IC 22-4-18-7.

Sec. 5. (a) The Hoosier workers first training fund is established to do the following:

(1) Administer the costs of the Hoosier workers first training program established by section 2 of this chapter.

(2) Undertake any program or activity that furthers the purposes of this chapter.

(b) The money in the fund shall be allocated to employers or consortiums for worker training grants that enable workers who reside in Indiana to obtain recognizable credentials or certifications and transferable employment skills that improve employer competitiveness.

(c) Special consideration shall be given to Ivy Tech Community College (as defined in IC 21-7-13-22) to be the provider of the training funded under this chapter whenever the state educational institution:

(1) meets the identified training needs of an employer or a consortium with an existing credentialing or certification program; and

(2) is the most cost effective provider.

(d) For the worker training grants described in subsection (b), the department shall do the following:

(1) Provide grant applications to interested employers and consortiums.

(2) Accept completed applications for the grants.

(3) Obtain all information necessary or appropriate to determine whether an applicant qualifies for a grant, including information concerning:

(A) the applicant;

(B) the training to be offered;

(C) the training provider; and

(D) the workers to be trained.

(4) Allocate the money in the fund in accordance with subsections (b) and (c).

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(e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.

(f) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(g) The fund consists of the following:

(1) Appropriations from the general assembly.

(2) Earnings acquired through the use of money belonging to the fund.

(3) Money deposited in the fund from any other source.

(h) Any balance in the fund does not lapse but is available continuously to the department for expenditures for the program established by this chapter."

Page 54, after line 12, begin a new paragraph and insert:

"SECTION 76. [EFFECTIVE JULY 1, 2009] (a) As used in this SECTION, "committee" refers to the unemployment insurance oversight advisory committee established by IC 2-5-30-3, as added by this act.

(b) As used in this SECTION, "department" refers to the department of workforce development established by IC 22-4.1-2-1.

(c) As used in this SECTION, "fund" refers to the unemployment insurance benefit fund established under IC 22-4-26.

(d) The commissioner of the department shall, not later than sixty (60) days after the effective date of any economic stimulus package law enacted by the Congress of the United States:

(1) initiate changes to eligibility and other requirements of the state's existing unemployment insurance system in order for the state to qualify for the maximum amount available under the federal economic stimulus package law, unless the cost of implementing the changes, including the negative fiscal impact on the fund, exceeds the maximum amount available to the state under the federal economic stimulus package as the result of the state making the changes; and

(2) submit in an electronic format under IC 5-14-6 to the legislative council, the committee, the speaker of the house of representatives, and the president pro tempore of the senate a report that provides the following:

(A) Details of the commissioner's actions taken, or the commissioner's decision not to initiate changes, under subdivision (1).

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(B) Recommendations for any legislation necessary to modify the state's unemployment insurance system in order for the state to qualify for amounts available under the federal economic stimulus package law.

(C) An analysis of the fiscal impact to the fund of:

- (i) the commissioner's actions taken, or the commissioner's decision not to initiate changes, under subdivision (1); and**
- (ii) the legislation recommended under clause (B), if the legislation is enacted.**

(e) This SECTION expires July 1, 2011."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 84 as printed February 6, 2009.)

NIEZGODSKI, Chair

Committee Vote: yeas 7, nays 5.

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 84 be amended to read as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety and local government and to make an appropriation.

Page 60, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 74. IC 36-7-14.5-12.5, AS AMENDED BY P.L.146-2008, SECTION 742, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 12.5. (a) This section applies only to an authority in a county having a United States government military base that is scheduled for closing or is completely or partially inactive or closed.

(b) In order to accomplish the purposes set forth in section 11 of this chapter, an authority may create an economic development area:

- (1) by following the procedures set forth in IC 36-7-14-41 for the establishment of an economic development area by a redevelopment commission; and
- (2) with the same effect as if the economic development area was created by a redevelopment commission.

The area established under this section shall be established only in the

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area where a United States government military base that is scheduled for closing or is completely or partially inactive or closed is or was located.

(c) In order to accomplish the purposes set forth in section 11 of this chapter, an authority may do the following in a manner that serves an economic development area created under this section:

- (1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of economic development areas located within the corporate boundaries of the unit.
- (2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of economic development areas on the terms and conditions that the authority considers best for the unit and the unit's inhabitants.
- (3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.
- (4) Clear real property acquired for redevelopment purposes.
- (5) Repair and maintain structures acquired for redevelopment purposes.
- (6) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired for redevelopment purposes.
- (7) Survey or examine any land to determine whether the land should be included within an economic development area to be acquired for redevelopment purposes and to determine the value of that land.
- (8) Appear before any other department or agency of the unit, or before any other governmental agency in respect to any matter affecting:
 - (A) real property acquired or being acquired for redevelopment purposes; or
 - (B) any economic development area within the jurisdiction of the authority.
- (9) Institute or defend in the name of the unit any civil action, but all actions against the authority must be brought in the circuit or superior court of the county where the authority is located.
- (10) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform

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the duties of the authority.

(11) Exercise the power of eminent domain in the name of and within the corporate boundaries of the unit subject to the same conditions and procedures that apply to the exercise of the power of eminent domain by a redevelopment commission under IC 36-7-14.

(12) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, and attorneys.

(13) Appoint clerks, guards, laborers, and other employees the authority considers advisable, except that those appointments must be made in accordance with the merit system of the unit if such a system exists.

(14) Prescribe the duties and regulate the compensation of employees of the authority.

(15) Provide a pension and retirement system for employees of the authority by using the public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development.

(16) Discharge and appoint successors to employees of the authority subject to subdivision (13).

(17) Rent offices for use of the department or authority, or accept the use of offices furnished by the unit.

(18) Equip the offices of the authority with the necessary furniture, furnishings, equipment, records, and supplies.

(19) Design, order, contract for, and construct, reconstruct, improve, or renovate the following:

(A) Any local public improvement or structure that is necessary for redevelopment purposes or economic development within the corporate boundaries of the unit.

(B) Any structure that enhances development or economic development.

(20) Contract for the construction, extension, or improvement of pedestrian skyways (as defined in IC 36-7-14-12.2(c)).

(21) Accept loans, grants, and other forms of financial assistance from, or contract with, the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

(22) Make and enter into all contracts and agreements necessary or incidental to the performance of the duties of the authority and the execution of the powers of the authority under this chapter.

(23) Take any action necessary to implement the purpose of the authority.

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(24) Provide financial assistance, in the manner that best serves the purposes set forth in section 11 of this chapter, including grants and loans, to enable private enterprise to develop, redevelop, and reuse military base property or otherwise enable private enterprise to provide social and economic benefits to the citizens of the unit.

(d) An authority may designate all or a portion of an economic development area created under this section as an allocation area by following the procedures set forth in IC 36-7-14-39 for the establishment of an allocation area by a redevelopment commission. The allocation provision may modify the definition of "property taxes" under IC 36-7-14-39(a) to include taxes imposed under IC 6-1.1 on the depreciable personal property located and taxable on the site of operations of designated taxpayers in accordance with the procedures applicable to a commission under IC 36-7-14-39.3. IC 36-7-14-39.3 applies to such a modification. An allocation area established by an authority under this section is a special taxing district authorized by the general assembly to enable the unit to provide special benefits to taxpayers in the allocation area by promoting economic development that is of public use and benefit. For allocation areas established for an economic development area created under this section after June 30, 1997, and to the expanded portion of an allocation area for an economic development area that was established before June 30, 1997, and that is expanded under this section after June 30, 1997, the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date, must be allocated. All of the provisions of IC 36-7-14-39 apply to an allocation area created under this section, except that the authority shall be vested with the rights and duties of a commission as referenced in those sections, and except that, notwithstanding IC 36-7-14-39(b)(2), property tax proceeds paid into the allocation fund may be used by the authority only to do one (1) or more of the following:

- (1) Pay the principal of and interest and redemption premium on any obligations incurred by the special taxing district or any other entity for the purpose of financing or refinancing military base reuse activities in or serving or benefiting that allocation area.
- (2) Establish, augment, or restore the debt service reserve for obligations payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the authority (including lease rental revenues).
- (3) Make payments on leases payable solely or in part from

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allocated tax proceeds in that allocation area.

(4) Reimburse any other governmental body for expenditures made by it for local public improvements or structures in or serving or benefiting that allocation area.

(5) For property taxes first due and payable before 2009, pay all or a portion of a property tax replacement credit to taxpayers in an allocation area as determined by the authority. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under IC 36-7-14-39.5 (before its repeal) in the same year.

(6) Pay expenses incurred by the authority for local public improvements or structures that are in the allocation area or serving or benefiting the allocation area.

(7) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(A) in the allocation area; and

(B) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation

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fund that is attributable to property taxes paid by the industrial facilities described in clause (B). The reimbursements under this subdivision must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made. The allocation fund may not be used for operating expenses of the authority.

(e) In addition to other methods of raising money for property acquisition, redevelopment, or economic development activities in or directly serving or benefitting an economic development area created by an authority under this section, and in anticipation of the taxes allocated under subsection (d), other revenues of the authority, or any combination of these sources, the authority may, by resolution, issue the bonds of the special taxing district in the name of the unit. Bonds issued under this section may be issued in any amount without limitation. The following apply if such a resolution is adopted:

- (1) The authority shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.
- (2) The bonds must be executed by the appropriate officer of the unit and attested by the unit's fiscal officer.
- (3) The bonds are exempt from taxation for all purposes.
- (4) Bonds issued under this section may be sold at public sale in accordance with IC 5-1-11 or at a negotiated sale.
- (5) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the authority:
 - (A) from the tax proceeds allocated under subsection (d);
 - (B) from other revenues available to the authority; or
 - (C) from a combination of the methods stated in clauses (A) and (B).
- (6) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.
- (7) Laws relating to the filing of petitions requesting the issuance of bonds and the right of taxpayers and voters to remonstrate against the issuance of bonds do not apply to bonds issued under this section.
- (8) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.
- (9) If bonds are issued under this chapter that are payable solely

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or in part from revenues to the authority from a project or projects, the authority may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority. The authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the authority that are payable solely from revenues of the authority shall contain a statement to that effect in the form of bond.

(f) Notwithstanding section 8(a) of this chapter, an ordinance adopted under section 11 of this chapter may provide, or be amended to provide, that the board of directors of the authority shall be composed of not fewer than three (3) nor more than eleven (11) members, who must be residents of **or be employed at a place of employment located within** the unit. **The members shall be appointed by the executive of the unit.**

(g) The acquisition of real and personal property by an authority under this section is not subject to the provisions of IC 5-22, IC 36-1-10.5, IC 36-7-14-19, or any other statutes governing the purchase of property by public bodies or their agencies.

(h) An authority may negotiate for the sale, lease, or other disposition of real and personal property without complying with the provisions of IC 5-22-22, IC 36-1-11, IC 36-7-14-22, or any other statute governing the disposition of public property.

(i) Notwithstanding any other law, utility services provided within an economic development area established under this section are subject to regulation by the appropriate regulatory agencies unless the utility service is provided by a utility that provides utility service solely within the geographic boundaries of an existing or a closed military installation, in which case the utility service is not subject to regulation for purposes of rate making, regulation, service delivery, or issuance of bonds or other forms of indebtedness. However, this exemption from regulation does not apply to utility service if the service is generated,

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treated, or produced outside the boundaries of the existing or closed military installation."

Renumber all SECTIONS consecutively.

(Reference is to ESB 84 as printed April 10, 2009.)

CHERRY

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 84 be amended to read as follows:

Page 10, between lines 24 and 25, begin a new paragraph and insert:

"SECTION 8. IC 4-13-16.5-2, AS AMENDED BY P.L.87-2008, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) There is established a governor's commission on minority and women's business enterprises. The commission shall consist of the following members:

- (1) A governor's designee, who shall serve as chairman of the commission.
- (2) The commissioner of the Indiana department of transportation, or the economic opportunity director of the Indiana department of transportation if the commissioner of the Indiana department of transportation so designates.
- (3) The chairperson of the board of the Indiana economic development corporation or the chairperson's designee.
- (4) The commissioner of the department.
- (5) Nine (9) individuals with demonstrated capabilities in business and industry, especially minority and women's business enterprises, appointed by the governor from the following geographical areas of the state:
 - (A) Three (3) from the northern one-third (1/3) of the state.
 - (B) Three (3) from the central one-third (1/3) of the state.
 - (C) Three (3) from the southern one-third (1/3) of the state.
- (6) Two (2) members of the house of representatives, no more than one (1) from the same political party, appointed by the speaker of the house of representatives to serve in a nonvoting advisory capacity.
- (7) Two (2) members of the senate, no more than one (1) from the same political party, appointed by the president pro tempore of the senate to serve in a nonvoting advisory capacity.

Not more than six (6) of the ten (10) members appointed or designated

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by the governor may be of the same political party. Appointed members of the commission shall serve four (4) year terms. A vacancy occurs if a legislative member leaves office for any reason. Any vacancy on the commission shall be filled in the same manner as the original appointment.

(b) Each member of the commission who is not a state employee is entitled to the following:

- (1) The minimum salary per diem provided by IC 4-10-11-2.1(b).
- (2) Reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties as provided under IC 4-13-1-4 and in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

(c) Each legislative member of the commission is entitled to receive the same per diem, mileage, and travel allowances established by the legislative council and paid to members of the general assembly serving on interim study committees. The allowances specified in this subsection shall be paid by the legislative services agency from the amounts appropriated for that purpose.

(d) A member of the commission who is a state employee but who is not a member of the general assembly is not entitled to any of the following:

- (1) The minimum salary per diem provided by IC 4-10-11-2.1(b).
- (2) Reimbursement for traveling expenses as provided under IC 4-13-1-4.
- (3) Other expenses actually incurred in connection with the member's duties.

(e) The commission shall meet at least four (4) times each year and at other times as the chairman considers necessary.

(f) The duties of the commission shall include but not be limited to the following:

- (1) Identify minority and women's business enterprises in the state.
- (2) Assess the needs of minority and women's business enterprises.
- (3) Initiate aggressive programs to assist minority and women's business enterprises in obtaining state contracts.
- (4) Give special publicity to procurement, bidding, and qualifying procedures.
- (5) Include minority and women's business enterprises on solicitation mailing lists.
- (6) Evaluate the competitive differences between qualified

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minority or women's nonprofit corporations and other than qualified minority or women's nonprofit corporations that offer similar services and make recommendation to the department on policy changes necessary to ensure fair competition among minority and women's business enterprises.

(7) Define the duties, goals, and objectives of the deputy commissioner of the department as created under this chapter to assure compliance by all state agencies, separate bodies corporate and politic, and state educational institutions with state and federal legislation and policy concerning the awarding of contracts (including, notwithstanding section 1(d) of this chapter or any other law, contracts of state educational institutions) to minority and women's business enterprises.

(8) Establish annual goals:

(A) for the use of minority and women's business enterprises; and

(B) derived from a statistical analysis of utilization study of state contracts (including, notwithstanding section 1(d) of this chapter or any other law, contracts of state educational institutions) that are required to be updated every five (5) years.

(9) Prepare a review of the commission and the various affected departments of government to be submitted to the governor and the legislative council on March 1 and October 1 of each year, evaluating progress made in the areas defined in this subsection.

(10) Ensure that the statistical analysis required under this section:

(A) is based on goals for participation of minority business enterprises established in *Richmond v. Croson*, 488 U.S. 469 (1989);

(B) includes information on both contracts and subcontracts (including, notwithstanding section 1(d) of this chapter or any other law, contracts and subcontracts of state educational institutions); and

(C) uses data on the combined capacity of minority and women's businesses enterprises in Indiana and not just regional data.

(11) Establish annual goals for the use of minority and women's business enterprises for any contract entered into:

(A) involving the use of state real property; or

(B) with the use of state funds involving the use of real property of a unit of local government.

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The department shall direct contractors to demonstrate a good faith effort to meet participation goals. The good faith effort shall be demonstrated by contractors using the repository of certified firms created under IC 4-13-16.5-3 or a similar repository maintained by a unit of local government.

(g) The department shall adopt rules of ethics under IC 4-22-2 for commission members other than commission members appointed under subsection (a)(6) or (a)(7).

(h) The department shall furnish administrative support and staff as is necessary for the effective operation of the commission.

(i) The commission shall advise the department on developing a statement, to be included in all applications for and agreements governing grants made with state funds, that states the importance of the use of minority and women's business enterprises in fulfilling the purposes of the grant.

SECTION 9. IC 4-13-16.5-3, AS AMENDED BY P.L.228-2007, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) There is created in the department a deputy commissioner for minority and women's business enterprise development. Upon consultation with the commission, the commissioner of the department, with the approval of the governor, shall appoint an individual who possesses demonstrated capability in business or industry, especially in minority or women's business enterprises, to serve as deputy commissioner to work with the commission in the implementation of this chapter.

(b) The deputy commissioner shall do the following:

- (1) Identify and certify minority and women's business enterprises for state projects.
- (2) Establish a central certification file.
- (3) Periodically update the certification status of each minority or women's business enterprise.
- (4) Monitor the progress in achieving the goals established under section 2(f)(8) **and 2(f)(11)** of this chapter.
- (5) Require all state agencies, separate bodies corporate and politic, and state educational institutions to report on planned and actual participation of minority and women's business enterprises in contracts awarded by state agencies. **If a unit of local government receives a grant or enters into a contract under section 2(f)(11) of this chapter, the unit of local government shall report on planned and actual participation of minority and women's business enterprises in grants or contracts entered into under section 2(f)(11) of this chapter.** The

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commissioner may exclude from the reports uncertified minority and women's business enterprises.

(6) Determine and define opportunities for minority and women's business participation in contracts awarded by all state agencies, separate bodies corporate and politic, and state educational institutions.

(7) Implement programs initiated by the commission under section 2 of this chapter.

(8) Perform other duties as defined by the commission or by the commissioner of the department."

Renumber all SECTIONS consecutively.

(Reference is to ESB 84 as printed April 10, 2009.)

RIECKEN

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 84 be amended to read as follows:

Page 36, between lines 20 and 21, begin a new paragraph and insert:

"SECTION 47. IC 22-4-15-6.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6.1. (a) Notwithstanding any other provisions of this article, all of the individual's wage credits established prior to the day upon which the individual was discharged for gross misconduct in connection with work are canceled.

(b) As used in this section, "gross misconduct" ~~includes~~ means any of the following, as determined by the department by a preponderance of the evidence:

- (1) A felony. ~~or~~
- (2) A Class A misdemeanor. ~~committed in connection with work but only if the felony or misdemeanor is admitted by the individual or has resulted in a conviction.~~
- (3) **Working, or reporting for work, in a state of intoxication caused by the individual's use of alcohol or a controlled substance (as defined in IC 35-48-1-9).**
- (4) **Battery on another individual while on the employer's property or during working hours.**
- (5) **Theft or embezzlement.**
- (6) **Fraud.**

(c) An employer:

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(1) has the burden of proving by a preponderance of the evidence that a discharged employee's conduct was gross misconduct; and

(2) may present evidence that the employer filled or maintained the position or job held by the discharged employee after the employee's discharge.

(d) It is not a defense under this section that a discharged employee's conduct did not result in:

(1) a prosecution for an offense; or

(2) a conviction of an offense."

Renumber all SECTIONS consecutively.

(Reference is to ESB 84 as printed April 10, 2009.)

LEONARD

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